

Aug. 24, 2020 Final

# House Oversight and Reform Committee Holds Hearing on Postal Service Operational Changes

## LIST OF PANEL MEMBERS AND WITNESSES

MALONEY:

The--the committee will come to order. Without objection, the chair is authorized to declare a recess of the committee at any time. Without objection, the gentlewoman from North Carolina Ms. Adams, as well as the gentleman from Illinois Mr. Quigley, will be permitted to join the committee and be recognized for questioning the witnesses. In addition, the gentleman from North Carolina, Mr. Walker, will be recognized at the proper time to introduce his constituent. I now recognize myself for an opening statement.

Good morning I--I would like to welcome Postmaster General Louis DeJoy and the Chairman of the Postal Board of Governors Robert Duncan to this oversight hearing, and I thank you all for being here. In all of our districts, we are hearing from constituents about significant delays in the delivery of mail, medicines, food, and other supplies. These delays are especially concerning and potentially life-threatening during the coronavirus crisis. These are not isolated complaints. They are widespread. Our offices have been receiving thousands of calls and emails about the detrimental effects these delays are having on our veterans, seniors, small businesses, and families across the country.

When we asked postal leaders about these delays, they downplayed them; they dismissed them as temporary, they discounted them as minor unintended consequences of reforms being put in place, but then we saw national headlines describing these delays in much more detail. I have a document here that lists headlines from almost every state in the country talking about these delays.

For example, in my home state of New York, I quote mail is delayed 5 to 6 days in New York City Postal Workers Union says end quote. In Kentucky Ranking Member Comer's home state quote postal services cost cutting is frustrating Kentuckians and raising election concerns end quote. In California, the home state of our Vice Chairman Mr. Gomez quote like Armageddon rotting food, dead animals and chaos, at postal facilities amid cutbacks end quote. This list goes on and on.

Last Friday, when Mr. DeJoy was confronted in the Senate with these widespread reports he said he felt bad about what he called a dip in service, but then after Mr. DeJoy's testimony in the Senate, we obtained an internal Postal Service document entitled PMG Briefing. This is a presentation prepared directly for the postmaster general. It is stated almost two weeks ago, August 12.

According to this document, these delays are not just a dip; this document warns the postmaster general of significant and widespread drops across the board in first-class marketing, periodicals, and other categories. This document shows that these delays are not a myth or conspiracy theory as some of my colleagues have argued.

These steep declines did not start in April or May when the corona crisis hit us, but in July, when Mr. DeJoy came on board and began making his changes. Our entire country is experiencing these delays as a result of Mr. DeJoy's actions, such as his decision to restrict the number of trips from processing plants to delivery units. Perhaps Mr. DeJoy thought his sweeping changes would not cause any delays.

In my opinion, that would be incompetence at best, or perhaps this was intentional; maybe Mr. DeJoy was warned that his changes would cause delays, but he disregarded those warnings. That would be extremely reckless in the middle of a global pandemic with less than three months before an important election, or perhaps there is a far simpler explanation, perhaps Mr. DeJoy is just doing exactly what President Trump said he wanted on national television using the blocking of funds to justify sweeping changes to hobble mail-in voting.

All of these options are bad but when you install someone as Postmaster General after he donates millions of dollars to your campaign, when he rushes to make changes without conducting adequate analysis and when he withholds key information from Congress and doesn't level with us when people begin to ask what in the world is going on, given all of this is not surprising that the Postal Service Inspector General has already opened an investigation into Mr. DeJoy's controversial changes.

We will be asking Mr. DeJoy some hard questions today. We will also be asking Mr. Duncan as Chairman of the Board about his own role in choosing Mr. DeJoy as postmaster general about his own role in vetting Mr. DeJoy for conflicts of interest including Mr. DeJoy's ownership of stock in major Postal Service competitors and Mr. Duncan's own role in allowing these delays to happen under his watch.

Whatever the cause of these massive delays, the American people want to go back to the way things were, they don't want these changes, they want them reversed, they don't want anyone messing with

the post office, and they certainly don't want it politicized. They want to have confidence that their mail, their medicine, their ballots will be delivered on time. I look forward to hearing from our witnesses, and I now recognize the distinguished Ranking Member, Mr. Comer, for an opening statement.

COMER:

Thank you, Chairman--Chairwoman Maloney. I appreciate going this hearing today on the United States Postal Service even though it would have been nice to do so before we actually voted on the bill Saturday. We all agreed that the Postal Service needs to be reformed to better serve the American people. We all want the Postal Service to be as efficient and effective as possible to ensure Americans receive their prescriptions on time, small businesses thrive, and mail-in ballots are delivered in a timely fashion.

But meaningful reform is going to take bipartisanship something we have seen very little love in the last few days. Democrats fabricated a baseless conspiracy theory about the Postal Service and hastily passed a bill Saturday before hearing from you, Mr. DeJoy. The bill had no prior committee action to vet the bill, no hearings, no markup. Because of this rushed process the bill was significantly amended by the Democrats before it went to the Rules Committee. Then proceeded to the House for under a process that prevented any amendments to the bill. There was no Republican input, not at any step in the process.

Just this morning, we have learned that the U.S. Postal Service opposes the bill that you all passed Saturday. They read the bill and realized that it ties their hands and will make it harder and more expensive to deliver the mail. At least this legislation is consistent with the Obama-Biden years at the Postal Service, more delays, more financial losses.

This chain of events show Democrats are not serious about meaningful reform. The president does not support the bill, the Postal Service does not support the bill and the Senate will likely not take up the bill. This is a political stunt. During Saturday's debate Chairwoman Maloney unveiled a 60-page PowerPoint deck that she had received overnight from an apparent whistleblower. Madam Chair, I don't need to remind you that your and Adam Schiff's record with whistleblowers is less than stellar.

The deck is dated August 12, proving it played no role in the creation of your bill, which was unveiled the day before. That contains delivery to performance data updated since U.S. Postal Service's third-

COMER:

I'm very interested to hear from Mr. DeJoy today about what he has learned about the causes of these delays how much of an effect is the ongoing pandemic and increasing employee sick leave having an U.S. Postal Service's delivery performance? How does that to any temporary growing pains from efforts to make the Postal Service more efficient and self-sufficient?

I say I am interested to hear Mr. DeJoy responses because I do not know the answer to those questions. I don't believe the chairwoman does either. This is why I've repeatedly said, Madam Chairwoman, that this committee is doing things backwards.

When we make policy, it's our job to understand why something is happening. How would you find out why? You would have a hearing on the topic with the postmaster general. When would you have this hearing? Certainly before you passed a bill.

Returning to today, let me say the Postal issues or something I have long heard about a great deal in my rural district. For example, I distinctly remember when the Obama-Biden administration, a mail facility in Paducah was closed resulting in letters that once took a day to get from point A to point B now taking three to four days. And I also heard a lot about the Postal Service from my grandmother who spent her entire career, 27 years as a rural mail carrier.

My heart and sympathies go out to our Postal Service families who have lost loved ones during this pandemic. As her grandson and the congressman representing the 1st District of Kentucky and as a ranking member of this committee, I want to see the Postal Service returned to being a viable institution. But I am disappointed at the hysterical frenzy whipped up around this issue by my colleagues on the left and their friends in the media.

Let's look at the most often repeated claims again. Does the Postal Service need a bailout in order to survive through November? No. Mail volume has declined but package delivery has shot through the roof increasing USPS revenue by \$1.5 billion. It has nearly \$15 billion cash on hand and can operate until at least August of 2021.

Next question, is the postmaster general sabotaging the election by removing blue Postal boxes and mail sorting machines? No. The Postal Service has more than adequate capacity to handle the vote by Mail. If everybody in the U.S. requests and since their ballots via Mail, dust still less than one days'

average volume. The blue boxes and mail orders were both components of longstanding programs in response to significant reduction in mail volume. Thirty-three percent reduction over the past 15 years.

For reference, under President Obama, approximately 12,000 blue mailboxes were removed and we didn't hear one word from the other side when he did that. The mail orders were on track to be removed because they were sitting idle simply taking up floor space for more productive activities.

Is the Postal Service telling states they won't be able to deliver ballots on time? No. What the Postal Service is doing and has for years is trying to warn states there vote by mail laws don't take into account what the Postal Service can and cannot do. USPS can treat ballots as at first class mail or better than first class mail, but they cannot break the laws of time and space. The letters that Democrats characterized as threats and propaganda are good faith efforts to prevent weeks of uncertainty and confusion such as what happened very recently with Chairwoman Maloney's race.

And the charges about overtime, those came from an effort to reduce billions of dollars in overtime and extra truck trips the Postal Service spends every year. If overtime and extra truck trips are normal--are a normal everyday part of your business operations, it means something's wrong and you better fix it.

On Friday before the Senate Homeland Security Committee hearing, Mr. DeJoy acknowledged the recent dip in service. He took responsibility for this performance lapse. The logical step is to understand why this happened and come up with a plan. Even though your bill would prevent that, Madam Chairwoman, I hope that today helps in that process. I yield back.

MALONEY:

I thank the gentleman for his statement and I ask unanimous consent to place in the record the service performance measurement postmaster general briefing, an official report from the post office data research, facts. And in this report, the facts speak for themselves and they show that under the first two months of the postmaster general's work, the service fell anywhere from 6 to 10 percent in all the major categories.

My bill merely funds the post office and returns it back to the way it was so that the services can get the mail out to the people during the pandemic and before a very important election. After the pandemic, we can revisit and have other--other statements and work go forward, but let's not dismantle the

services to the American people, the veterans, the seniors. People deserve to get their mail in a timely way and most districts are having people calling frantically, where is my mail, where is my medications?

So facts speak for themselves. I'm placing this into the record. I now recognize the distinguished chairman of the Subcommittee on Government Operations who has done a great deal of work in this area, Mr. Connolly for an opening statement.

CONNOLLY:

Thank you, Madam Chairwoman, and thank you for your leadership. I was proud to cosponsor your bill that passed the bill with 26 Republicans showing the courage to address an emergency with respect to the most esteemed institution of government in America. We have an obligation constitutionally to ensure that something that's been part of the American fabric since 1775 has a future.

The Postal Service is not only fighting for its economic survival, it's fighting to maintain 120 years of professional, professional service rid of rotten patronage systems that serve elected officials and not those who rely on mail every day. We are here today to save the Postal Service. We have in front of us a newly appointed postmaster general and the chairman of the board of government governors that selected him for that post.

We have a PMG who six weeks into the complex and awe inspiring new job in the midst of a global pandemic and just weeks before a consequential national election where the Postal Service will play an unprecedented role decides to announce a sweeping reorganization that he admits could slow down mail and will undoubtedly infuse uncertainty and confusion throughout the Postal Service and into our neighborhoods all across America. He announces these and other abysmally unsupported changes without engaging staff, unions, trade organizations, mailers, mail recipients, or Congress.

In fact, Congress was told Mr. DeJoy did not yet feel prepared to respond to any questions we might have for him. Yet, he felt confident enough to breeze overtime, delay mail delivery, and announced sweeping reorganizations. And Mr. Duncan, congratulations on being the rubber stamps. The Postal Service Board of Governors is required by law to represent the public interest, not the president, not a political party or not even the postmaster general.



Today, the Postal Service employees (PH) at 650,000 people. It's the foundation for more than \$1.7 trillion mailing industry that employs another 7.5 million people. But at the turn of the last century, the U.S. post office was nothing more than 77,000 patronage positions rife with growth--gross incompetence and often embezzlement of funds.

It was rural America that used its political voice at that time to professionalize the post office. Instead of traveling miles to the closest general store to pick up mail from a sycophantic political hack, rural residents lobbied Congress en mass for rural free delivery, an innovation that brought mail delivery to even the most distant of homes and businesses.

The massive grassroots lobby effort brought those with acumen and expertise into the post office and refocused political leaders on what they were elected to do, serve the people, not their political parties. As a nation, the people transformed the Postal Service--I mean, the post office into the Postal Service.

This history lesson resonates today. Yet another reckoning for this country in the Postal Service, here again the people of the nation had stood up loudly and consistently to condemn attempts to turn a crown jewel of our federal government, by far the most trusted agency among the hundreds that serve this nation into a spoiled systems' honey pot. We cannot and must not let that happen.

During this pandemic, the Postal Service is a lifeline to the delivery of life saving prescription medications, medical equipment, food and pantry staples, stimulus checks to pay rent and utility bills, census forms, and even simply coupons to help struggling families stay out of poverty. What leader would think that even the possibility of slowing down mail in a time such as this is a good idea? What leader would take steps to freeze overtime for a workforce literally--

CONNOLLY:

--risking its' life every day to deliver mail to the people of this nation. Forty thousand postal workers have contracted COVID-19 or been quarantine because of it, Forty thousand. As the new PMG, Mr. DeJoy as recklessly cut hours delayed delivery times in the pursuit of unsupported operational efficiencies. He's never once asked Congress to help despite a team of members ready to provide financial and other support.

The chairwoman and I, along with a collection of hundreds of members, have been fighting to provide the Postal Service with \$75 billion in support to pay overtime and hazard costs to the dedicated workforce, to invest in a modernized and green postal fleet that doesn't explode, to pay for information technology investments that can streamline communications from trucks and planes that are running late with important cross county or international mail deliveries.

Mr. DeJoy and Mr. Duncan that failed to work with Congress to get this enacted. Thus far, the passenger service airline industry has received \$25 billion in revenue stabilization; the Postal Service, not a dime.

On August 18, the PMG announced he would put a hold on some of the sweeping operational changes, but his announcement did not commit to reversing the cuts to service and capacity already made. It did not include an agenda to support election mail that demonstrates a commitment to helping the Postal Service fulfill its historic role in the upcoming election. And lastly, the PMG is still not advocating for the additional funding for the Postal Service, despite the fact that it--the Republican-controlled, Trump-appointed Board of Governors unanimously called for that package; not a Democratic idea, a Republican dominated board unanimously recommended it.

The recent operational and organizational changes Mr. DeJoy has made have resulted in delivery delays across the country, as the chairwoman just showed. And those aren't our datas. That's yours, Mr. Postmaster General. These delays have a real impacts on real lives with real consequences. Most devastatingly, they damage the Postal Service's credibility in a very brief time. Congratulations, Mr. DeJoy, an esteemed institution that now is in doubt in the American public's mind.

I applaud my colleagues in the House for passing the Delivery for America Act Bill because we need to act now. We need to reverse this. We need to reassure the American public that they will get their mail on time and that their ballots will get there on time and be counted. This is about the future of our democratic institutions. This is the future, about the most important election in my lifetime. That's what's at stake today. I yield back.

COMER:

Madam Chair?

MALONEY:



COMER:

I'd just like to make a point that you didn't notify our committee that Mr. Connolly as ranking--or as chairman of the subcommittee would be delivering opening remarks. That's another example of this rushed process. But I would like to ask that our ranking member of Mr. Connolly's subcommittee also be allowed to deliver opening remarks.

MALONEY:

Absolutely. The staff told me they reach out to you and your staff. It's general(PH) that the subcommittee that has the jurisdiction should speak on both sides. I have in my notes that Mr. Hice will be--who is now the ranking member on the subcommittee of Government Operations will also be giving an opening statement. And I was told that they did reach out.

In the future, I will personally call you myself--

COMER:

--Thank you--

MALONEY:

--And make sure it gets to you. I was told by staff they talked to your staff, that they had reached out to you. If that did not get to you, then I apologize. I will--I will personally call you every time. But it is usually the standard that we make an opening statement and the subcommittee with the jurisdiction makes an opening statement.

COMER:

I agree, and I appreciate the chairwoman doing that. That's, again, important, why we need to be prepared and not rush things like we have this postal reform bill.

CONNOLLY:

Madam Chairwoman?

MALONEY:

Yes, Mr. Connolly?

CONNOLLY:

If I can come to your defense, it has been your practice as chairwoman that when it is the jurisdiction of the subcommittee, you have always allowed the subcommittee chair and the ranking member to have opening statements. That's practice. It's not something you sprung on us today. And I--I can(PH) think of at least four examples, Mr. Raskin is one, Mr. Rouda is another, and their ranking members. So, it's--it's actually the practice of the committee under Chairwoman Maloney to do just that.

COMER:

And, Madam Chair, if I may, I--I agree that his practice. We just weren't notified and it wasn't on the agenda item that--that we received. But we appreciate that. And Mr. Hice, it's my understanding, is prepared to deliver an impromptu opening statement.

MALONEY:

Okay. First of all, I want to thank Mr. Connolly for pointing that out, and also pointing out the double standard that businesses such as the airlines and others are receiving federal aid in the--in the HEROES package and the COVID relief package. But the vital services from our post office that so many people depend on, a lifeline to Americans across America, they delay--deserve to be funded too.

I now recognize the distinguished subcommittee chairman, Mr. Hice, for Government Operations for an opening statement. And you're recognized, Mr. Hice.

HICE:

Thank you, Madam Chair. I appreciate that. And, yes, we were not notified of this, but I'm happy to take a few moments. Again, here we are having a hearing after a vote. I think this is absolutely disgusting. Certainly, we have had many votes without bothering to have a hearing, but I don't ever recall having a--a vote to so-called fix something and then have a hearing afterwards. This is unprecedented and, again, to me, I believe is an example of political malpractice on the side of the Democrats.

We are here to talk about the Postal Service. And Madam Chair, I'm glad you brought up the HEROES Act because in itself, in the HEROES Act, I believe is the unveiling of what the Democrats are really trying to do. And that is themselves to fraudulently influence the upcoming election. I

In the HEROES Act is a requirement for universal mail-in ballots. In the HEROES Act is a requirement that vote--that states cannot be involved in requiring voter ID. And so, we're going to have tens of millions of ballots sent out all across the country to many people who perhaps are deceased, to people who have moved, to people who knows who they are, and states are not going to be able to have any voter ID if the Democrats have their way. And then we're going to have the mail--the ballot harvesting take place.

The--this is what's--this is what's at stake. And I agree with Chairman Connolly saying that this is the most important election. This is what's at stake. And if the Democrats have their way in this election, it will be filled with fraud. It will be filled with confusion. It will be filled with lawsuits because that's what is in the HEROES Act to produce if the Democrats have their way. And thankfully, that bill is not going anywhere, any further than the bill that was passed Saturday before the hearing.

Then we talk about delays at the USPS. Well, we haven't even had hearings on the USPS since, I believe, it was April 2019. And now all of a sudden we are called in for an emergency over this whole thing. We had a briefing in April of this year, not a hearing. It was a briefing. And the purpose of that briefing was to discuss the delays at the Postal Service due to COVID-19. And yes, there have been delays. And yes, there are thousands of USPS workers who are not showing up for work due to COVID-19. Are we surprised that there any delays? Of course not. We had a briefing to discuss that just a couple of months ago.

The--the postmaster general has nothing to do with COVID-19, had nothing to do with it coming, nor does he have anything to do with thousands of his workers not showing up. We also have cities that are rioting. Of course there is delays in many of those cities, be it Minneapolis or Portland or Chicago or LA or wherever it may be.

The fact of the matter is the bailout that passed on Saturday in the House of Representatives is pointless. It refuses the opportunity to have any reforms. And so, we have a Postal Service right now that has \$14 billion cash on hand, another \$10 billion available to them with the Treasury, and--and they can even get access to the \$10 billion because they have too much money cash on hand. And yet, we pass a bill for another \$25 billion, and in that bill we disallow them from making any changes.

It doesn't matter how much money we keep throwing at the--at the Postal Service if we don't allow for reform to take place, which is what is desperately needed. So, with that, I--I do look forward to this hearing going forward.

I fully anticipate a lot of political theater from my friends on the opposite side of the aisle. I do anticipate the continued attempt to portray a conspiracy that does not exist when in fact it is their own party that I believe are fully committed based upon the HEROES Act and other comments to influence this upcoming election using fraudulent methods and with that Madam Chair I will field back and I appreciate you giving me the opportunity to speak.

MALONEY:

(INAUDIBLE) I now recognize Mark Walker to introduce our first witness who is a constituent of Congressman Walker's

WALKER:

Thank you Madam Chair Maloney and Ranking Member Comer. It is my privilege to introduce Mr. Louis DeJoy, the Postmaster General of the United States. Mr. DeJoy has earned the respect about charitable and business communities.

Since its creation in 2005 the (INAUDIBLE) family foundation has positively impacted thousands of people. Duke University, the Health Center for Children, police foundations just to name a few. I was actually present when Mr. DeJoy was inducted into the hall of fame for the Triad's Junior Achievement Business Leaders, the world's largest organization educating K-12 students on financial literacy and entrepreneurship.

Just this past week I received in the mail the family contribution, the sponsorship of family services of the Piedmont(SP) which serves 18,000 children and adults many of those battling domestic violence issues. It may be the most impressive act by this family is the one established for students from title--from title I schools. The scholars program at Elon University. You see I have had the opportunity to meet some of the students who come from some of our most impoverished areas. It's not something Lewis flaunts, it's just something Kate does.

Throughout his professional career Louis DeJoy has garnered a reputation as a genius in the logistical innovation and supply chain field as the CEO of New Breed Logistics he took a broken trucking

company from New York to North Carolina and transformed it into a prominent U.S. provider in contract logistics creating close to 9000 jobs.

Maybe that's why he was unanimously appointed to the position by the UPS, USPS bipartisan Board of Governors. Mr. DeJoy has been on the job about two months but he's being blamed for implementing reforms Congress has passed.

For example back in 2006. It wasn't Mr. DeJoy who pass the Postal Accountability and Enhancement Act, it was actually Congress. The leading sponsor on this bill, he's the one with the biggest picture in the room former chair of this committee Henry Waxman. Today Mr. DeJoy will be viciously attacked with prepackaged questions and false accusations one member even suggesting impeachment. That's original.

How sad is it when the cancel culture has reached the halls of Congress? The man sitting before this committee today is not who the Democrats have villainized him to be. He is here today because he supported President Trump and with this Congress that makes you a target. Over the past month the DeJoys have endured protests outside his home with hundreds of people blocking streets and frightening their neighbors.

Sadly in this day and age and industry leader with a passion for service can be persecuted in the court of public opinion for his apparent political affiliation. As the circus unfolds today remember that Louis DeJoy is a community minded philanthropist, and industry leading businessmen and most importantly a man with a good heart doing his best to serve his country. Mr. DeJoy I want to commend you for being here today.

Many of your accusers didn't extend the same courtesy but unlike the senator from Delaware let's hope they at least know how to mute themselves. Thank you Madam Chair. I yield back.

MALONEY:

Thank you. Our second witness is Robert Duncan who is the chairman of the Postal Services Board of Governors. He was appointed to the Board of Governors by President Donald Trump in August 2018 and his term expires in December 2025. Please stand and raise your right hands.

Do you swear or affirm that the testimony you are about to give is the truth, the whole truth and nothing but the truth so help you God? Let the record show that the witnesses affirm this in the

affirmative and without objection your written statements will be part of the record. With that Mr. DeJoy you are now recognized for your testimony.

DEJOY:

(INAUDIBLE) good morning, Chairwoman Maloney, Ranking Member Comer, and members of the committee. I am proud to be with you today on behalf of a 630,000 dedicated women and men of the United States Postal Service. On June 15 I became America 75th postmaster general. Since that time for a variety of reasons there has been a great deal of attention to the Postal Service by our elected officials, the media, and the American people.

I want to begin by sharing this committee on the American public that the Postal Service is fully capable and committed to delivering the nations ballot securely and on time. This sacred duty is my number one priority between now and election day. To be clear we will do everything we can to handle and deliver election mail and a manner consistent with the proven processes and procedures that we have relied upon for years. Nevertheless I encourage all Americans who choose to vote by mail to request their ballots early and to vote early as a commonsense best practice.

As part of this conversation there are many inaccuracies about my actions that I wish to again correct. First I did not direct the removal of blue collection boxes or the removal of mail processing equipment. Second, I did not direct the cut back on hours at any of our post offices and finally I did not direct the elimination or any cutback in over time. I did however suspend these practices to remove any misperceptions about our commitment to delivering the nations election mail.

Any further assertions by the media or elected officials is furthering a false narrative to the American people. Let me describe the two actions I have taken in 70 days since my appointment. I came to the Postal Service with decades of experience in solving large and complex logistical problems. I plan to use this experience to help lead the operating change required for the Postal Service to grow and embark on a path of sustainability.

On the day of my swearing in the Postal Service Inspector General issued an astonishing report about the schedule delays in Postal Service transportation and a substantial cost associated with our weaknesses in this fundamental operating principle. Upon review I directed the Postal Service operations team to develop and execute on a plan to improve our adherence to the transportation schedule of our over 40,000 trips a day.



We have accomplished this goal. As our on-time departures are approaching 98 percent and wasteful extra trips are down by over 70 percent. While we have had temporary service decline which should not have happened we are fixing this. In fact last week service improved across all major mail and package categories and I am laser focused on improving service for the American public.

The second of two changes I made as Postmaster General is installing a new organizational reporting structure to better align talent and resources to instill greater credibility for performance and to focus the organization on service and growth. These two changes creating our new on-time transportation network and designing and engage functional organization structure will be the catalyst for significant improvements and costs, performance, and growth that I plan for this vital American institution. Madam Chairwoman, the women and men of the Postal Service have demonstrated extraordinary commitment to our mission of service throughout the COVID-19 pandemic.

In every community in America we continue to work to keep our employees and customers safe as we fulfill our essential role in delivering the medications, benefit checks and financial statements the public depends upon. Since the beginning of a pandemic there has been a public outpouring of support for our postal employees as they perform their essential service throughout the nation. This is a well-deserved testament to their dedication.

Chairwoman Maloney, Ranking Member Comer I hope we can agree that the financial state of the Postal Service is unacceptable and needs to be fixed. I look forward to working with you in this committee and our stakeholders to restore the financial health of United States Postal Service and to improve the way we serve the American public. This concludes my remarks and I welcome any questions that you and the committee may have. Thank you.

MALONEY:

Thank you very much for your testimony and we will now recognize Chairman Duncan. You are now recognized for your testimony and he will be appearing remote. Chairman Duncan you are now recognized.

DUNCAN:

Thank you. Chairwoman Maloney, Ranking Member Comer, and members of the committee, thank you for inviting me to speak today. My name is Mike Duncan and for the past two years, I've had the honor of serving as the chairman of the United States Postal Board of Governors.

Throughout my life, I've looked for ways to help and strengthen and support institutions that are important to American communities. That's why I spent five years on the Tennessee Valley authority board, why I served on Alice Lloyd College, why I served on numerous boards and commissions in Kentucky and on a federal level.

When I accepted this position, I did so because of my average admiration for the United States Postal Service and its public service mission. I spent my life in rural Appalachia and I know how important the Postal Service is in communities like mine. I also know the Postal Service provides important jobs to more than 630,000 Americans, which at one time included my own grandfather who delivered mail by horseback in East Tennessee.

Since I joined the board, I've made it a point to get on the road, to visit Postal facilities, took meeting workers, speak directly with our customers, union members, union leaders. These conversations have only deepened my understanding for and of the importance of the Postal Service. Serving on the Board of Governors at this institution is a significant responsibility. The governors by statute represent the public interest. That means I'll always remember it's a special role in our nation. And it means I can never forget the challenges that are putting us at risk.

These challenges should come as no surprise to the members of this body. On two occasions, I've sent you the Postal services annual report to Congress. In each of those communications, I wrote that "The Postal Service business model is broken and will only produce widening losses in the coming years absent dramatic change."

Last fall, Postmaster General Megan Brennan notified the board of her impending retirement. In response, the board immediately recognized that we would be faced with the most important decision we would make as governors, the selection of a new postmaster general.

The board agreed that the Postal Service would benefit from a transformational(PH) leader, one who could help us build upon the inherent strengths and confront its longstanding challenges. The Postal Service is an amazing institution and we can do a lot to make it better. But we are unable to fix our broken business model work control our own (INAUDIBLE) without the help of Congress or the Postal Regulatory Commission.

What we can do is increase our efficiency and cut down on unnecessary expenses. We can also focus on marketability and modernization while reducing some expenses. Business as usual is not an

option. It's for these reasons that after an organized, deliberate, and the road search process, the board selected Louis DeJoy to serve as our 75th postmaster general of the United States.

He's the 5th postmaster general since 1971 to join the institution from the private sector and we believe the private sector experience that he has will be an asset to identify ways to improve the Postal Service. In addition, Mr. DeJoy has decades of experience in improving and managing sophisticated logistic chains, a fortune 100 company, and as a major contractor in U.S. Postal service for more than 25 years. He has a deep knowledge about the institution and how it can be strengthened.

Like the postmaster general, the board has confidence in the Postal Service's ability to perform for the American people in this election season. Five years from now, the United States will celebrate the 250th anniversary of the American Postal Service. Throughout our nation's history, this institution has delivered for the American people. Now we have a sacred responsibility to preserve, defend, and strengthen this organization for generations to come.

Thank you for your time. I appreciate the opportunity and look forward to your questions. Thank you.

MALONEY:

Thank you for your testimony. I now recognize myself for questioning. Mr. DeJoy, we have all been flooded with concerns and complaints from our constituents about the delay in the mail. And in the vote on my bill, Delivering for America on Saturday, 26 Republicans voted with us and they expressed the same concerns.

People depend on their mail for their medications, for business, for keeping in touch with their families. It's critically important. And we've seen headlines across this nation from many, many states, headlines, major news from our states about the delay in the mail. It's been said it's a major institution in our country. People depend on it.

And over the weekend, we obtained this internal document and it is dated less than two weeks ago on August 12 and it's entitled Service Performance Measurement for the PMG Postmaster General Briefing. Now, your office already confirmed to my office that this document is authentic. So let's go through a little bit of it now.

This document clearly shows major degradations across the board beginning in July when you started your changes. Here is the document for first class mail. And overall, it is down an astonishing 8.1 percent from the baseline before your changes for the past two months beginning in July. Now, the

second one, the next slide is the marketing mail, and that is down a stunning 8.42 percent. Now, the next, and it's on the wall where you can see it better, the next periodicals, and that is down almost a 10 percent down 9.57 percent.

So Mr. DeJoy, you and your aides have repeatedly downplayed these delays. You just downplayed it in your testimony. But this is just a disaster for the people who need their mail, don't you agree?

DEJOY:

(OFF-MIC)

MALONEY:

Would you turn on your mic? We can't--we can't hear you. Thank you.

DEJOY:

We are very concerned with the deterioration and service and are working very diligently. In fact, we were seeing a big recovery this week. And in fact, that report, I requested that report be put together. Oddly enough, we didn't have measurement briefings at the executive level like this before my arrival. With--the whole executive team was involved in looking at with the underlying circumstances were and we're focused on fixing it.

We've seen a nice--we're starting to see a nice recovery and we will have it back to--my goal is to get it, you know, to a high--we were not meeting metrics before with this change, this fundamental change. We will--we have a real good shot of getting to these stated metrics that we our supposedly governed--you know, governed by.

MALONEY:

Well, it you just testified that you've been on the job 70 days. So this is essentially your report card for that period of time. If any other CEO had this kind of plummeting record in his first two months on the job, I can't imagine why he would be kept on.

DEJOY:

That's an unfair accusation.

MALONEY:

When you--when you--may I continue? When you testified on Friday, senators asked you over and over about the status of these delays. They also asked you to produce analysis about that negative impacts of your changes. It would have been easy to mention to the senators that this document existed, you could have said as a matter a fact, senator, I just received a detailed briefing and unfortunately, the data shows major delays in nearly all categories. But you didn't do that.

You dismissed these nationwide delays as "A dip," and you refused to turn over any analysis. So my question is, why didn't you disclose this document and any analysis to the Senate when you had it and they were asking for it?

DEJOY:

They asked me for it on Friday. They asked me for an analysis on my decision, A--I--I--

MALONEY:

--Of the delays. Of the delays. I watched the testimony. They wanted analysis why are there all these delays.

DEJOY:

Well, there's a lot of reasons for delays besides just my--

DEJOY:

--my--the action that I took to run your trucks on time. There are other reasons for the delays in the nation.

MALONEY:

Well, I would say running trucks on time would probably increase delivery. But for some reason, it back to 5 to 6 days--

DEJOY:

--Oddly enough--

MALONEY:

--Into the district that I represent so reported.

But Mr. DeJoy, on August 14th, this committee sent you a 10 page letter, along with the chairs of ranking members of three other committees, and we asked you to produce all communications, and I'm quoting from the letter, "all communications, evaluations, assessments, or reports regarding mail left behind are delayed as a result of these new policies that you instituted."

We asked for these documents by Friday. And on Friday night you did produce some documents to us, but you did not produce this one. And so my question is, why did you leave this important internal document from the postal professionals that was delivered to you and briefed to you two days before the Senate hearing? Why did you--why did you leave it out?

DEJOY:

I--I--I'm not familiar with the--with the request in total or how we--we--we supported it. I'm sure the staff answered the questions as they were asked.

And let me just for the record clear up, I did not--that is not a policy change. That is a request that we run our 40,000 trucks a day on schedule. And your--your intuition is right. My--you would think that the mail moved faster, and it did. A good portion of it moved faster, right? We've also--I was sitting there looking at a report that--that talked somewhere between \$1 billion and \$3 billion worth of cost wasted on our--our truck trips being out of schedule. It was an easy request, and I--I--I spoke with every senior executive--

MALONEY:

--Well, my time--

DEJOY:

--In the organization about the change--

MALONEY:

--My--my time--time is limited. And then I'm--I'm concerned why we didn't receive any of this information. And I have to just to say that, Mr. DeJoy, we sent our letter two days after you received



There's absolutely no excuse for concealing it and withholding this information from the committee or from your testimony before the Senate when you are expressly asked questions about the information in the document. And unfortunately, this committee received it from someone else. So, Mr. DeJoy, you're withholding information from us, concealing documents, and downplaying the damage that you're causing.

So, let me close with this. This committee expects a full and complete production of all the documents we requested no later than this coming Wednesday. And if you continue to withhold information or otherwise fail to comply, you can expect a subpoena.

Now, I know many of our members plan to ask about how you intend to fix the problems, the problems you created, and reverse these horrible trendlines. So, we will get to those questions next. Without--with that, I now recognize the distinguished ranking member for five minute--for--for his questions. Virginia--he is saying that Virginia Foxx will be the first to respond, Virginia Foxx from the great state of North Carolina.

FOXX:

Thank you, Madam Chairman. Madam Chairman, I do note that you're--you're going over time a great deal.

But Postmaster General DeJoy, thank you very much for being with us today. Some claim the expedited discrete afternoon sortation pilot and your changes are deliberative efforts to slow down mail and heard Postal Service employees. Is that true?

DEJOY:

No, ma'am.

FOXX:

Are you banning employees from train--from charging over time or are you trying to limit unplanned over time to ensure the Postal Service's liability?

DEJOY:

FOXX:

Thank you. Postmaster General DeJoy, as a logistics expert, and I believe that Representative Walker outlined your expertise very well, what does the consistent use of unplanned over time and the need for extra trips mean in terms of the efficiency of operations?

DEJOY:

Well, besides costing substantial amounts of money, you know, for the--for the Postal--for the Postal Service in terms of billions of dollars, it is also the--does not keep the system--the delivery system in balance, which also results in late--delays in mail and an--an equilibrium in--in our production processes across the whole network.

FOXX:

Can more efficient on-time operations result in better delivery performance?

DEJOY:

Absolutely.

FOXX:

And does unplanned over time hinder the Postal Service's ability to stay financially viable?

DEJOY:

Absolutely.

FOXX:

You know, my husband and I have experienced some very, very inefficient services on the part of the post office in the last few weeks. I'm not going to go into those details. But I want to applaud your approach to accountability. And what we know from our colleagues on the other side of the aisle is they run away from accountability in every case in the federal government or in Allied services like the post office. So, let me applaud you for pushing on accountability.

Mr. DeJoy, as we are all aware, the post--Postal Service is not a government agency that receives appropriations. In fact, it is law. The Postal Reorganization Act of 1970 created the U.S. Postal Service as an independent and self-sustaining entity. Postmaster General DeJoy, do you believe it is your duty to uphold this law and ensure that the USPS is self-sufficient?

DEJOY:

I do.

FOXX:

And what will it take to make the USPS self--self-sufficient?

DEJOY:

Legislation with regard to our health--healthcare been--Medicaid integration in our pension reform, flexibility from the PRC, at least have--get a decision from them. We're--we're in the 14th year of a 10 year analysis.

The Postal Service itself, there's a library of--of OIG reports identifying flawed practices and billions and billions and billions of dollars of cost waste that this committee--no--nobody seems to pay attention to. And then the Postal Service, our management team itself delivering--you know, helping fix ourselves, both in terms of service and--and--and cost. And we have a plan now to do that, and part of it includes running our trucks on time.

FOXX:

And--and these OIG reports have come from Democrat presidents and Republican administrations both, is that correct?

DEJOY:

Yes, ma'am.

FOXX:

Thank you. If you have no operational flexibility, can you possibly make the Postal Service self-sufficient?

DEJOY:

I think we have a very, very good shot. We have some new revenue ideas for the--for the--for the Postal Service also. And we have it--you know, we're be--beginning to finalize the plan. I need to brief the--the--the board. But I'm very, very excited about the management team under our new org--new organizational structure. I'm excited about the--the dedication of the 650,000 men and women.

And I think we are--can embark upon, with a little help from this Congress, a--we--we're about to embark upon some significant exciting future for the Postal Service. I believe in the six-day delivery. I think the--the carrier is--or the carriers--our postal carriers' relationship with the American people is what--is the most important ingredient in giving us the approval rating that we have. And we have plans to--to really enhance that--that relationship and to help our growth.

FOXX:

Well, again, I want to thank you for bringing your expertise to become the postmaster general of the United States. You have the exact background that we need and the commitment that we need to make the post office work the way Americans wanted to work. Thank you, Madam Chairman and Ranking Member. I yield back.

DEJOY:

Thank you.

MALONEY:

Thank you. I now recognize Congresswoman Norton--Congresswoman Norton by WebEx.

NORTON:

Thank you very much, Madam Chair. This test--this hearing is very necessary to clarify matters that were left open when we took the vote already on this bill. Mr. DeJoy, in your testimony you suggested that the coronavirus was having and here I am quoting a significant--(INAUDIBLE) significant issue employee of availability in many, many parts of the country.

If that is the case sir I--I want to know why you would be reducing over time. Is an overtime even--even more necessary to postal employees staring best national emergency during this pandemic with so many people at home and given what you have already testified to him about the significant issue in employee of availability across the country?

DEJOY:

Thank you.

NORTON:

Why wouldn't over time be necessary to make up for all of that?

DEJOY:

Thank you, ma'am. On--on this--since I have been here we have spent \$700 million in overtime. The overtime rate before my arrival was at 13 percent with the new organization it is still at 13 percent. As I said in my opening statement this is a continued misinformation regarding what I did since I have gotten there. I have never put a limitation on overtime.

NORTON:

Well, that is very important testimony Mr. DeJoy because in some states we are seeing 10 times the normal volume of mail and I would like to ask about additional resources two weeks before the election. Is expanded allowance of over time one of the items under consideration when you have already announced you would bring quote additional resources to bear in two weeks before the election? Does that include expanded over time and wouldn't it have to?

DEJOY:

It--yes--yes, ma'am, it does. We will--the 650,000 men and women of the Postal Service are very committed to having a successful election and our role in the election. Over time, extra truck trips, postal inspection checks route rounds in each postal processing facility.

NORTON:

Mr.--Mr. (INAUDIBLE) that is very important, that is very important for the record that expanded over time will be allowed in the two weeks before the election. My--my next question is on a PG Postal

I am quoting now, the document entitled PMG expectations and plan. Over time will be eliminated there you see it before you. Again we are paying too much for over time and it is not cost-effective and soon will be taken off the table, more to come on this. We--we ask your general counsel and he claimed that that came from a mid-level manager and should not be treated as an official statement of postal office policies so I ask you would a postal managers send this document without some kind of word from you or from the top of the agency? And can you explain who this was and give us the name of the manager?

DEJOY:

I--I have--might thank you. I have purposely not tried to find out who that was but there are many ways that people interpret--

NORTON:

You have tried not to find out who that was?

DEJOY:

That is right. I don't know. That was not a directive from me. There is 600--there's 50,000 managers within the organization. This was one of the reasons I'd change the organization quickly after the rollout of the truck schedule. There was very, very confusing--might

NORTON:

So (INAUDIBLE) are they looking for whoever it was that jumped ahead of you and--and issued that to all of your--

DEJOY:

(INAUDIBLE)

NORTON:

--employees?



DEJOY:

Absolutely.

NORTON:

I wish you would give that name when you find it to the chair as well. In a statement on August 18 you stated overtime has and will continue to be improved--bank approved as needed. I want to understand as needed what that means. Can postal managers and employees continue approving and using overtime as they did before your tenure began or are there any changes you sent you took office?

DEJOY:

Same as from prior to me being here.

NORTON:

Have you issued any internal guidance to that effect and would you provide it to us please?

DEJOY:

I am sorry. I didn't hear the question.

NORTON:

I asked have you issued any internal guidance to that affect that the employees can continue to approving--can continue to improve and use overtime?

DEJOY:

I never issued a guidance against that affect but everybody at the--

NORTON:

Are you intending to issue in a guidance to the effect?

DEJOY:

Yes, I have told the executive team, the operations team they--they know there is no different process than prior to my arrival.

MALONEY:

Okay. The gentlewoman's time is completed.

NORTON:

Madam Chair can I just ask that he provide us or provide you any written guidance on overtime--

MALONEY:

Okay.

UNKNOWN:

Time.

NORTON:

(INAUDIBLE)

MALONEY:

I--I make that request on behalf of the committee. I now recognize Mr. Gosar--Congressman Gosar.

GOSAR:

Yeah, can you hear me and see me?

MALONEY:

Yes, we can.

GOSAR:

Okay, thank you.

MALONEY:

We can hear you but we don't see you. There you are.

GOSAR:

Okay. Mr. DeJoy thank you very much for coming today and I want to clear up some obvious political misinformation that the majority is actually putting out and then I also want to say thank you very much for acknowledgment of the different services but we will get to that in a few minutes.

On Saturday on the House floor my colleagues said the post office are on the verge of collapse but that is not true. You have over \$10 billion cash on hand and access to a \$10 billion line of credit which makes you fiscally viable through August 2021. Is that true Mr. DeJoy?

DEJOY:

Yes, but I would say that only Washington DC would that be a good position to be in when I have \$135 billion in liabilities a \$2.5 billion a month a week bi-weekly payroll and a whole bunch of others but yes, we can get through the election and with--with the loan should we--should we take it but I don't know how we would pay it back but should we take it we should be fine through mid---mid '21.

GOSAR:

So now isn't it true that you are actually generating more revenue at this time of the year then you also did last year and you are processing more successfully process an uptick in mass mail government items such as the stimulus checks and the question about the census question or balance. Is that true?

DEJOY:

We are seeing more revenue mostly due to packaging rates mail products are down 15 percent albeit also on average but package--package volume is up substantially but package volume is very costly for us to handle--in an overcapacity method.

GOSAR:

So now do you believe that the money on hand successful (INAUDIBLE) seeing that you said the mail volume is down by 15 percent and the hard work of over 600,000 postal workers that you can handle the slight election increases that you will possibly see?

DEJOY:

I will be very, very clear that the 650,000 men and women we are working with our union leadership, our management team and our employees. We will be able to handle all election mail for the 2020 election.

GOSAR:

So now I want to go back to this slowdown related to the pandemic. I want to highlight that this week the president of the Phoenix Postal Workers Union stated that it was suffering from these pandemic workforce strains that no processing machines have been removed during your tenure and that the United States Postal Service processed over 700,000 ballots in a recent primary election.

Let me ask you a question Mr. DeJoy. Have you had slowdowns or impediments like in Seattle and Portland and new--New York City and Chicago because of the rioting and anarchy that is going on?

DEJOY:

Well, sir, I mean in a kind of rioting does produce delays within a--any type of public service so I don't have a specific measurement on the above I will say this that as the coronavirus cases throughout the country have expanded it has had an impact on our employee availability and in the urban areas that are hotspots you know the averages don't play out what the real picture is like in areas like Philadelphia where availability is significantly below our normal run rates and but it has been in the pandemic. We actually peaked, saw the peak in terms of employee availability issues in the July--July timeframe.

GOSAR:

Now I want to go back to its--have you paused any policy changes to the Postal Service such as the elimination of overtime prohibiting extra trips, high end freezes and removing sorting machines, is that true?

DEJOY:

The extra trips, and they weren't prohibited, we--it's true on everything else but the extra trips. My direction was we need to work on getting our trucks on schedule and mitigating our extra trips. We still run 7,800 extra trips a day and we still have thousands of trucks truck trips that run late. So it

wasn't a flat directive, it was work to our plan. That was my directive. Come up with a plan and work through our plan.

So the management team put the plan together and executed on the plan. And--but everything else I had nothing to do with. There was a long standing plan on collection boxes and sorting machines and Postal hours and that was way--that was ongoing really in the areas that were taken care of that.

GOSAR:

So another quick question. Is the pony express still available today?

DEJOY:

I've been here 70 days, Sir. I'm searching for the good. I haven't--I haven't seen that yet. Thus, I think it's gone.

GOSAR:

(INAUDIBLE) technology as it's--it's changes. And any transfer of new ideas, it always goes smoothly, doesn't it, Mr. DeJoy?

DEJOY:

I'm sorry?

GOSAR:

A transition where you're trying to make changes always goes smoothly, doesn't it?

DEJOY:

It--it--

MALONEY:

--The gentleman's time has expired, but you may answer his question.

DEJOY:

The transitions don't always go smoothly. You should have a recovery process. Our recovery process is taking too long. This should have been resolved in a couple of--in a few days and it's--it's not. So the impact there's a lot of reasons that are there are a lot of things that are impacting our service. This is one of them on the front end and we--we should have cleared it up quicker and I think we have the focus on it now and will recover, you know, quite rapidly going forward.

MALONEY:

Thank you. The chair now recognizes--

GOSAR:

Yeah, DC doesn't change

MALONEY:

--Mr. Clay. Congressman Clay.

CLAY:

Thank you for conducting this hearing. Thank you, Madam Chair for conducting this hearing. Mr. DeJoy, one of the most damaging results of your actions is the reports we have heard over and over again from people and families across the country who are not getting their mail in medications on time and it's heartbreaking.

The Postal Service delivers hundreds of millions of prescriptions (INAUDIBLE) shipments each year. That is millions of shipments per day (INAUDIBLE) a week (INAUDIBLE) of vital medicines delivered (INAUDIBLE)--

MALONEY:

--We're having a technical problem right now with Mr. Clay. We can't hear you. It's breaking up.

CLAY:

(INAUDIBLE)

MALONEY:



Should we go to someone else and go back? Okay, Mr. Clay, we're going to--we're going to try to correct what there's a problem. We can't hear you--

CLAY:

--Literally a lifeline--

MALONEY:

--We're going to we're going to hold your testimony--

CLAY:

--For our most vulnerable populations--

MALONEY:

--Should we go for it or not? Okay--

CLAY:

--This problem has gotten aggravated during the coronavirus crisis because mail ordered--

COMER:

--Madam Chair, for the sake of time, let's move on.

MALONEY:

Okay. Mr. Clay, we're going to hold up on you and go to Mr. Lynch and then go to a Republican and come back to you. We have technical difficulties. Mr. Lynch, Congressman Lynch, you are now recognized.

LYNCH:

Thank you--thank you, Madam Chair. Thank you, Mr. DeJoy for attending. Mr. DeJoy, you've been the postmaster general of the United States for a couple of months right now?

DEJOY:

LYNCH:

Seventy days. Okay. So I've been a member of this committee for about 20 years. And since my mom and two of my sisters, a bunch of my aunts, cousins, my in-laws all worked at the post office, some of them are retired, some of them are still there, as a member of Congress, you might say I've been compelled to take a keen interest on matters affecting the Postal Service.

I'm also a former president of the Ironworkers Union in Boston, so you can get a sense of my perspective. It's blue color and, you know, common sense, get your work done sort of perspective. So Mr. DeJoy, is the postmaster for the United States of America for the last 70 days, did you know that the Postal Service has never allowed itself to be in that situation that it's in today?

Throughout the Postal Service history, there's been a tradition of reliable delivery from the very beginning Article 1 Section 8 Clause 7 of the United States constitution. Going back to Ben Franklin, our first postmaster general, the pony express has been mentioned before. I was actually watching a Ken Burns special last week and he had these heart wrenching letters that were back and forth from soldiers during the civil war, so even at a moment when the country was at war with itself, the mail was delivered.

During the First World War and the Spanish flu influenza of 1918, through the Great Depression, millions of people out of work, 1000 bank failures, the mail was delivered on time. Even during the Second World war with the threat of Nazi U boats, international mail was delivered on time. It just so happens I was elected on 9/11, the day of the terrorist attacks on our nation. A God awful day. Some people forget in the days after 9/11, we had direct anthrax attacks on the United States Postal Service. We lost two brave Postal workers, Joseph Kurseen (SP) and Tom Morris (SP) down at the Brentwood facility here in DC from anthrax inhalation.

But for the good of the country, the Postal unions continued to send their members into the post office to do their job to keep the country running. So two--two weeks ago after you'd been postmaster just for just a few weeks, that all changed. In the middle of a pandemic, that has killed 170,000 Americans and on the eve of a national election at a time with the CDC is advising people not to gather, limit outside contact, the Postal Service started removing 671 high speed mail sorting machines across the country.

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You stopped the APWU from sorting the mail and you stopped that national letter carriers and mail handlers from working overtime to deliver the mail. And for the first time in 240 years in our history of the United States Postal Service, you sent out a letter embarrassingly to--in July 246 states that said the post office can't guarantee that we can deliver the mail in time for the elections in November. And we have reports from across the country as you acknowledged, service has been delayed and the mail is piling up. You have ended a once proud tradition.

Now, as a member of the oversight committee, we are the chief investigative committee in the Congress. We conduct oversight on every matter that impacts the American people foreign and domestic. There are members on this committee who have been to Iraq and Afghanistan a couple dozen times. They've been to Yemen, Somalia, Gaza, you name it. They literally go to the ends of the earth to investigate matters that affect the American people, especially when it involves our sons and daughters in uniform.

In this moment, it is our Postal workers who happened to be our men and women in uniforms. They are on the frontlines of this pandemic. Throughout this pandemic, they've risked their own health and safety to deliver or try to deliver mail, medicines, and mail in ballots to every American home and business six days a week.

As a member of this august committee, I am supposed to ask you a question. In my heart, I'm tempted to ask after 240 years of patriotic service delivering the mail how can one person screw this up in just a few weeks.

Now, I understand you bring private sector expertise. I guess we couldn't find a government worker who could screw it up this fast. It would take them awhile. The president is running this post office like a business, like he said. He's running it into the ground as he has declared bankruptcy a few times on his own businesses.

In an effort to apply the facts, the real facts, not the--not the alternative facts based on what you have actually done, one can only reach as--a factfinder we can only reach two conclusions. One, either through gross incompetence you have ended the 240 year history of delivering the mail reliably on time, or the second conclusion that we could gather is that you're doing this on purpose and that you're deliberately dismantling this once proud tradition.

MALONEY:

LYNCH:

My last question is this--

DEJOY:

--Thank you--

COMER:

--Time. Time--

LYNCH:

--What the heck are you doing. What the heck are you doing--

COMER:

--He's gone over--

DEJOY:

--Thank you--

MALONEY:

--The gentleman's time has expired--

DEJOY:

--Thank you, sir--

MALONEY:

The gentleman's time has expired. The gentleman may answer--

DEJOY:

--First of all, I would like to agree with you on the heroic efforts of our 650,000 employees across the nation in the history of the Postal Service for their--the 250 year history of serving the American--the American public. And I'm very--

LYNCH:

--Will you put the machines back?

DEJOY:

I'm--I'm very proud to lead the organization. The rest of your accusations are actually--

LYNCH:

--Will you put the--

DEJOY:

--Are actually outrageous--

LYNCH:

--Will you put the high-speed machines back?

DEJOY:

--No, I will not.

LYNCH:

You will not?

DEJOY:

Will not.

LYNCH:

You will not. Well, there you go.

DEJOY:

There I go what?

LYNCH:

There will--

DEJOY:

--Those machines--

COMER:

--Madam Chair--

DEJOY:

--Those machines have--

COMER:

--Let the witness answer the question--

MALONEY:

--Gentlemen--

COMER:

--And--

LYNCH:

32,000 (INAUDIBLE) an hour.

COMER:

He has gone over time.

MALONEY:

Order, order, order. The gentleman may answer the question without being interrupted.

DEJOY:

Every accusation--

MALONEY:

--The question is will you put the machines back?

DEJOY:

The--the answer is no. And every accusation you made other than the trucks adhere to the truck schedule is inaccurate and more misinformation for the American public.

LYNCH:

You won't put the machines back though?

DEJOY:

I will not.

LYNCH:

You took them out. They're high-speed machines.

COMER:

Madam Chair.

DEJOY:

I did not take them out.

COMER:

Madam Chair.

MALONEY:

Mr. Jordan is now recognized, Congressman Jordan. Is he here? Just--Congressman Jordan?

COMER:

No, I believe that's not the order.

MALONEY:

What? No, it's Palmer, Congressman Palmer.

COMER:

Palmer.

MALONEY:

I'm getting different signs up here--

COMER:

--It's all right--

MALONEY:

--Of who's--why don't we go back to the old way, that you write it down, because it keeps changing?

Okay. Congressman Palmer is now recognized.

PALMER:

I thank the chairman. And I just want to point out a Washington Post article from August 26th, 2015, almost 5 years to the day, that there was a decline in first-class letter delivery of 18 percent to 44 percent, and a 38 percent decline in the performance over the same time in 2014. This was during the Obama-Biden administration.

The United States postal office in 2012 started closing dozens of mail sorting facilities. From January to June 2015, there were 494 million pieces of mail that did not arrive on time, a 45--48 percent



increase in delayed mail delivery. And I'm sure that that was intended to impact the 2012 election, yet this committee didn't see fit to look into that.

Mr. DeJoy, these will be yes and no for the most part. Is there any way that post offices can know whether or not ballots they are delivering to--to households are to eligible voters? Is there any way for the post office to know that?

DEJOY:

No, sir.

PALMER:

I bring that up because there's analysis of data released by the U.S. Election Assistance Commission in 2019 in a recent U.S. Census Bureau's five-year American community survey, there was 378 counties nationwide that have more voter registrations than citizens living there who are old enough to vote. These are counties where the registration exceeds 100 percent. In Iowa, there are at least 18,658 extra voters.

Under the National Voter Registration of 1993, Judicial Watch sent notice of violation letters to 19 large counties in five states, California, Pennsylvania, North Carolina, Virginia, and Colorado. Real Clear Politics reported that Los Angeles County had an estimated 1.6 million in eligible voters, and 38 states have counties where the voter registration is over 100 percent, including Montgomery County, Maryland, which represented my distinguished friend, Mr. Raskin.

The same article cited a 2012 Pew study that found there are 24 million voter registrations that are no longer valid or significantly inaccurate. Pew's total included 1.8 million dead people and another 2.75 million who are registered in at least two states. New York, for instance, in this most recent primary that impacted your--your race, Madam Chairman, had 84,000 ballots, almost a fifth of all the--over a fifth of all the ballots, I think, cast, 12,000 in--in your race, that were disqualified.

So, my question to you, Mr. DeJoy, is there any way to be sure that more ballots than a household should be eligible to receive are not being delivered?

DEJOY:

I'm sorry? Say that again.

PALMER:

Is there any way for the Postal Service to determine whether or not a household is getting more ballots than they should be?

DEJOY:

My--we're--we're focused on delivering the mail that's sent to the address.

PALMER:

So, the answer is no. There's no way to know that. And--and so--and if--and if--if there was some way to know that, I'm sure the postal inspectors would--would get involved.

UNKNOWN:

Okay, so let's try that again. Once it calls you, it tells you press one to--

PALMER:

--Madam Chairman, I reserve my time.

UNKNOWN:

I think that's what we didn't do.

UNKNOWN:

So, stop talking.

MALONEY:

What's going on?

PALMER:

I think the Chinese have hacked in or something.

MALONEY:

Okay. What--what does that mean?

PALMER:

Ma'am, the clock is still running. I--

COMER:

--Madam Chair, can his time be restored?

MALONEY:

We will give you adequate time to--

COMER:

--Okay--

MALONEY:

--Because of the--

COMER:

--Have we resolved the--this, do you think?

MALONEY:

What is the problem? What is it?

UNKNOWN:

They're--they're just trying to deal with technical--we'll give you extra time.

PALMER:

Okay.

MALONEY:

You--you have extra time. We have some technical problems.

PALMER:

Thank you, Madam Chairman. And I do appreciate your indulgence. Thank you.

The Census Bureau reports that 11 percent of Americans move each year. Section 8 of the National Voter Registration Act, which was passed by the Democrats in 1993, signed by President Clinton and--and voted for by Mr. Cooper and Mr. Clay and--and Madam Chairman Maloney, requires states to perform voter registration maintenance.

It is really the responsibility of the federal government to ensure that states and local governments make sure their voter rolls are accurate and that they have removed deceased people, people who have moved, or in active voters. And it should be noted that the Obama-Biden administration did not bring a single Section 8 enforcement action in during their entire term. That makes the post office task of only delivering ballots to eligible voters more difficult.

My point is is that you've been accused of trying to impact an election when the fact of the matter is, and for those people who've never had a real job out of business, what you've been trying to do is improve the performance of the post office so that what happened in 2015 does not continue to happen.

And it's going--and--and their--the accusations are that they're--that you're trying to throw the election, when the fact of the matter is the fact that the federal government has not done its part, particularly in--during the Obama-Biden administration, to ensure that the voter rolls are accurate has major job more difficult. It's really not your job, is it, one where the other?

DEJOY:

No, sir.

PALMER:

Can we count on the post office and delivery personnel around the nation to not deliver mass ballots, stacks of ballots to an address where the delivery person knows there's--that there's nobody there, an abandoned house, an abandoned apartment complex, a business? Would that--that would be reported, wouldn't it?

DEJOY:

We deliver mail to the address specified.

PALMER:

And if dozens or hundreds of mail in ballots are dumped into blue mailboxes instead of left in a--a regular mailbox for pickup or dropped off at the post office, would it make sense to report to the postal inspectors to make sure that those ballots are legitimate?

DEJOY:

Well, there are processes that the postal inspectors deployed. I'm not fully aware of what they are right now, but there are processes that the postal inspectors deployed to identify any fraudulent type of activity within the mail system.

PALMER:

Well, we need to make sure that this election is not tainted by fraudulent mail-in ballots.

And I'm--Madam Chairman, I'm going to do something that I rarely do. And when Mr. Gosar mentioned the burned-out--the riots in Portland and--and other--Seattle and other places around the country, there was a chuckle from one of the Democrats on this committee. And I take offense at that.

This is a picture of the burned-out post office in Minneapolis, okay? There was mail in that post office that was lost. There may have been prescription drugs that were lost. There may have been Social Security checks in that office that were lost. It is a fact that not only is the mail delivery delayed when you have anarchists laying siege to cities all over the country, it endangers postal workers, delivery people. It may have endangered people's lives who were not able to get their medicine because it burned up in the Minneapolis post office.

That's not funny. And I hope that the Democrats in this committee and in this Congress will take seriously what's happening in American cities. I yield back.

MALONEY:

The gentleman yields back. We're still having difficulty connecting with Congressman Clay. I now recognize Mr. Cooper, Congressman Cooper.

COOPER:

Mr. DeJoy, here's what your so-called reforms have done to my district in 70 days. A lady named Helena Roeser (SP) paid five dollars on July 22nd to send a certified letter to the Nashville, Tennessee Social Security office. The distance is 20 miles. The letter took 12 days to arrive.

Just this morning, excellent reporting from Nashville's channel 5 TV proves that Nashville's mail trucks are being forced to leave on schedule even when completely empty. Imagine it, 53 foot trucks forced to travel hundreds of miles completely empty due to your so-called reforms. Here are the truck records. That's not efficiency. That's insanity. For any--

COOPER:

--anyone thinking of voting absentee the effect of your policies is to unilaterally move up election day from November 3 to something like October 27 and if you force more empty trucks on the highway you will be able to single-handedly move up election day even earlier.

According to NPR already 550,000 primary ballots, absentee ballots were rejected in just 30 states and one of the main reasons was late delivery. How dare you disenfranchise so many voters when you told the Senate committee just last week that you had a sacred duty to protect election mail.

You know that it is a felony for postal service officer or employee to delay delivery of mail. A postal employee can be fined or imprisoned for up to five years for delaying the mail but so how you can delay all of the mail and get away with it. They can be prosecuted but you can't even if your actions are 1 million times worse. Mr. the joy do you have a duty to obey U.S. law like every other American?

DEJOY:

I do, sir.

COOPER:

Well, previous postmaster's general have been punished for much smaller conflicts of interest than yours. In 1997 the 70th postmaster general Marvin Runyon from Tennessee had to pay \$25,000-\$27,000 because of a \$350,000 conflict of interest. If your \$30 million conflict of interest 100 times larger than Mr. Runyon's were treated like your predecessors you would have to pay a \$2.7

million fine and probably be ousted from being Postmaster General. So Mr. DeJoy are you above the law that applies to other postmaster's general?

DEJOY:

I--I don't agree with the premise. I am in full--full compliance with all ethical require immense that I need to have an there is no IG investigation then I welcome the result of that report.

COOPER:

Well, Mr. DeJoy as a major donor for the Trump campaign you were picked along with Michael Cohen and Elliott(SP) (INAUDIBLE), two men who have already pled guilty to felonies to be these three deputy finance Chairman of the Republican national committee. Did you pay back several of your top executives for contributing to Trump's campaign by bonus thing or rewarding them?

DEJOY:

That is out outrageous claims sir and I resent it.

COOPER:

I am just asking a question.

DEJOY:

The answer is no.

COOPER:

So you did not bonus or re-ward any of your executives--

DEJOY:

No.

COOPER:

Or anyone that you solicited for a contribution to the Trump campaign?

DEJOY:

No, sir.

COOPER:

Not in whole or in part?

DEJOY:

To be--actually I--during the Trump campaign I wasn't even working at my company anymore.

COOPER:

We want to make sure that campaign contributions are illegal so all of your campaign contributions--

DEJOY:

I am fully aware of--I am fully aware of legal campaign contributions. I raised sent the assertion, sir you are accusing me of.

COOPER:

Well, I am asking a question. Do your mail delays fit Trump's campaign goal of hurting the post office as stated in his tweets and are your mail delays--

DEJOY:

I'm not--(INAUDIBLE)--

COOPER:

--implicit campaign contributions?

DEJOY:

--these types of questions. I'm here--I am here to represent the Postal Service. Nothing to do with--all of my actions have to do with improvement in the Postal Service.



COOPER:

(INAUDIBLE)

DEJOY:

Am I the only one in this room that understands we have a \$10 billion a year loss? Am I the only--

COOPER:

Will you give this committee--will you give this committee your communications with Mark Meadows, with Treasury Secretary Mnuchin and with a president?

DEJOY:

Go ahead and do that.

COOPER:

Mr. DeJoy is your backup plan to be pardoned like Roger Stone?

UNKNOWN:

Pitiful.

COOPER:

You have two seconds to answer the question.

DEJOY:

I have no comment on that. It's not worth my time.

COOPER:

I see my time is expired.

MALONEY:

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They gentlemen's time has expired. Representative, the gentleman from Florida Mr. Steube is recognized for five minutes. Congressman Steube?

STEUBE:

Thank you, Madam Chair. Thank you Madam Chair. First of all as a veteran who served in Iraq in support of operation Iraqi Freedom to compare postal workers to our military servicemembers in Iraq or Afghanistan quite frankly to me is offense.

The last time I checked Postal Service drivers weren't getting their vehicles blown up by IED's or being shot at as they drove around and delivered mail so to try to compare our military servicemembers to sacrifice on the battlefield so across the world to our Postal Service members is frankly offense of as a person who has served.

It is unfortunate that there are Democrats on this committee that have 100 percent politicize the Postal Service to try to stoke fear with the American people but we shouldn't be surprised. It's a familiar theme for Democrats over the last two years. A subcommittee Chairman of this committee when asked on national television and I quote are you saying say it directly is this an attempt by the president do you believe to interfere in the election the answer was absolutely. There is absolutely no evidence whatsoever that President Trump is using the Postal Service to interfere with the election, none in fact quite the opposite.

But Democrats don't care about the fact so here we go again. Seems like just yesterday we were hearing how the Trump campaign collated and conspired with Russia to interfere with the last election and when the facts actually came out there was no evidence that that ever occurred. This is absolutely a concocted narrative by the Democrats to stoke fear in the American people just like the Russia collusion hoax.

Financial issues have plagued the Postal Service for decades and is vastly in need of reform. Mr. DeJoy just stated that \$10 billion loss a year. Businesses couldn't operate that way but the Democrats don't want real reform. If they did they have worked with our witness today, they would have worked with Republicans in crafting a bill, they would have worked with our counterparts in the Senate, they would have worked with the administration to actually come up with reform that would actually pass.

This is a political stunt for the Democrats newest interference hoax. I represent nine counties in Florida and just last week we held our primary elections. Florida those saw the largest turnout in a

presidential election year primary since 1992, that was 18 years, about 2.3 million mail in ballots were cast which made up of about 59 percent of all ballots cast. Initial reports indicate that there are minimal issues with the additional ballots handled by the Postal Service. There were no issues in my nine counties with absentee ballots in this district that I am aware of.

Mr. DeJoy, would it be fair to say that the Postal Service successfully delivered during Florida's primary last week?

DEJOY:

Yes, sir.

STEUBE:

The 2.3 million mail in ballots that were cast in Florida are a significant amount for one state. What are the factors that led to the Postal Service being able to deliver the substantial increase in mail-in ballots on time?

DEJOY:

Well, when it comes to ballots the Postal Service prior to my arrival and the heightened awareness of this particular election throws--throws everything it has at--at moving ballots through--make through the system.

The ballots are usually identified with special markings and every employee and manager is very much focused on making sure that ballots move quickly through the process, sometimes in advance of first-class mail so those particular processes were deployed and will be deployed as we come into the 2020 election.

STEUBE:

And Florida has am I correct in stating that Florida has a reasonable timeframe for Postal Service to return the ballots as opposed to some states that just allow ballots to be requested at the last minute and therefore the length their ability for the Postal Service to get those ballots to the precincts in time?

DEJOY:

Thank--thank you for this. They - make the--and that is a big part of the effort of the Postal Service.

Prior to my arrival and since my arrival in the purpose of sending out the letters to all of the states with regard to what we just want to make everybody aware of what it is that will really work. We can--we can put all of these additional processes on but it would be more helpful if we had reasonable--reasonable standards from the election boards that comply with our processes to enable us to do it more efficiently and effectively.

STEUBE:

So to clarify do you need any additional funding to be able to successfully deliver ballots in Florida this November?

DEJOY:

No we do not, sir.

STEUBE:

Are there any lessons that other states can learn from the way that Florida handles our ballots in absentee voting?

DEJOY:

Well, I'm not particularly familiar with Florida but our General Counsel and we have--has put out letters with regard to each states election guidelines. We have a website that has just been posted on normal process and in general I will say on behalf of 650,000 postal workers get your ballot early and please vote early and that is just common, you know, common sense.

But if Florida had a--you know, Florida had a good process, so I'm sure their--their electoral board procedures were--were good. We can't do this all by ourselves. So we would appreciate every state's help in reviewing their standards and get, you know, and taking the advice of the Postal Service general counsel and what's on our website.

MALONEY:

Thank you. The gentleman's time is expired. We now recognize Mr. Clay. If we were still having connection problems, we will go be going to Mr. Connelly. Mr. Clay.

CLAY:

Hi Madam Chair. I hope you can hear me now.

MALONEY:

Yes, we can.

CLAY:

All right. Let me know and thank you for conducting this hearing. Mr. DeJoy, let me start with the-- with a question. Before you implemented your changes, did you conduct any analysis of the effect your changes would have on delaying prescription drug shipments, the delivery of those shipments to your customers? Did you analyze that before you implemented these changes?

DEJOY:

Sir, we have a whole operating organization that I asked to put together a plan. And it wasn't a change. It was comply with your schedules and when we could comply with your--with our schedules. I reviewed this with every regional area VP on a discussion that they were ready and they--they rolled it out. I'm not the COO. I'm the CEO of the organization, but I received commitment that that's--we would be able to go forward with the--with the plan to committing to our existing schedule.

CLAY:

Okay, Mr. DeJoy, let me let me say this. Prioritizing on time truck departures means letter carriers leave without all of their packages, including medicine on board. Critical medicines like refrigerated insulin is reportedly sitting in sorting facilities days longer than expected. Did you examine the effect of your changes on medicines like insulin that requires special storage?

DEJOY:

Sir, at no time did I say don't put the mail on the trucks when they left on time. This was not a hard direct everything must leave on time. We still have thousands of trucks a day that leave late within the--within, you know, a certain time frame. So the whole--and there was still hundreds of extra trips. So the--the intention was to put the mail on the trucks and have the trucks leave on time. That should not have impacted anybody.

CLAY:

What about the impact, Mr. DeJoy, what about the impact of letting--of missing that insulin and having it sit on the floor somewhere and--and it may spoil or whatever. At least we know it will be delayed. Did you all give that any consideration?

DEJOY:

We are concerned about the impact of each individual across the country and we are working extremely hard to bring the service levels back to where they were and to exceed that. And we will be there shortly.

CLAY:

Mr. DeJoy, we would--we would like a copy of any and all analysis you conducted before you implemented your changes. Will you provide them to this committee?

DEJOY:

I will go back to the office and see what we--what the operating team has on that end will--will seek to do so.

CLAY:

Okay. And while you're at it, Mr. DeJoy, do you--do you have any information on the number of prescription drug shipments that the Postal Service has delivered late since you began implementing these changes? And will you provide that information to the committee by the end of the week?

DEJOY:

I'm not--

CLAY:

--Can you give us--

DEJOY:

--I'm not aware of what we have on specific--specific types of shipment. I'm sure we have something. I will take a look at it. But again, I wanted to remind you that the change is misleading and what I ask is that the team find a way to run the trucks on a schedule, which intended--the intention was that we put the mail on the trucks and we ran them on schedule.

MALONEY:

Thank you, Mr. Clay. And we now recognize--

CONNOLLY:

--Madam Chairwoman?

MALONEY:

Yes?

CONNOLLY:

Could I just ask unanimous consent? Mr. Lynch asked me to enter into the record a set of data from the American Postal Workers Union with respect to mail volume and the reduction in advance (INAUDIBLE) systems, delivery bar code sorters, automated flat sorting machine, one hundreds (SP), and flat sequencing systems in its mail processing facilities.

MALONEY:

Without objection.

CONNOLLY:

I thank the chair.

MALONEY:

Thank you. Mr. Norman from South Carolina is not recognized. Mr. Norman.

NORMAN:

Thank you, Chairwoman Maloney. Mr. DeJoy--Mr. DeJoy. I just wanted to apologize to you. You're getting a berating up here. Congressman Lynch--Lynch going into a five minute dialogue would not give you time to your answer questions, would not--was yelling over you. It's typical of how this hearing has gone.

And what's amazing to me is this bill had to be rushed out this past Saturday. Do you remember it--do you know that 67 members did not even take the time to show up? If--if your workers at the post office don't show up, what happens? They don't get a paycheck and the mail doesn't get delivery. It's an insult to what the Democrats tried to do. A false narrative that has not worked for them since this president was elected. The Mueller Report, the impeachment. None of it is working and now they're--they're going fishing for this. I apologize to you.

Let me get some yes or no answers. Are you and the Postal Service actively removing mailboxes at the behest of president trump to undermine the election? Or as President Obama said, kneecap the Postal Service?

DEJOY:  
No, sir.

NORMAN:  
Was the U.S. Postal Service going to be insolvent before the election it you do not--did not receive the \$25 billion the Democrats insisted in including in their bill?

DEJOY:  
No, sir.

NORMAN:  
Is the United States Postal Service equipped to handle voting by mail for the November election?

DEJOY:  
Yes, sir.

NORMAN:



DEJOY:

I--anything with blue boxes is stopped. No, sir.

NORMAN:

Would the--Congressman Palmer showed pictures of the burned out mailboxes and the city's on fire. Portland, Chicago, Minneapolis, Sacramento, New York. Would that kind of slow the post office delivery down?

DEJOY:

There are certain acts in this--and procedures that we have for situations--for public unrest that we deploy a variety of different things up to and including getting our collection boxes out of there when it happens. But I don't know all of everything that goes with that. But yes, it would slow down the mail.

NORMAN:

It would slow it down and the safety of the delivering--the person delivering the Mail is pretty much an issue now, isn't it?

DEJOY:

I'm sorry?

NORMAN:

The--the--the welfare of the person delivering mail in the burned out cities would kind of be a problem, wouldn't it?

DEJOY:

Absolutely. Our--our letter carriers have, you know, hazardous jobs in many cases.

NORMAN:

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Were you consulted in this all important bill that we had to take up this past Saturday too add your expertise?

DEJOY:

I--I--I think--I don't know if--I think our legislative affairs people had some interaction to comment on it.

NORMAN:

And you made a good statement. You're the you're not the Co--you're not the chief operating officer. You're the CEO. You've been on the job 70 days. To be accused of everything you've been accused of is simply not right. It's unfair. I'm glad the American people are getting a front row seat to what you're having to endure. I yield back.

MALONEY:

The gentleman yields back. Mr. Connolly is not recognized.

CONNOLLY:

Well, my, my, my. You're right. You've been on the job 70 days and you've caused this much ruckus. And believe it or not, that's called accountability. That's why he's here today. That's why we passed a bill. If he wasn't consulted, it's because he was the inspiration of the bill. A dubious distinction, nonetheless.

Mr.--Mr. DeJoy, when did you take office? You were announced, I think, in May but when did you actually take over the job as postmaster general? What day?

DEJOY:

June 15th.

CONNOLLY:

June 15th. And you've seen this data on or around that time is when we see roughly 8 percent decline in service in the Postal Service which most people would say correlates to the reorganization and operational efficiencies you undertook. Do you think that's a fair characterization?

DEJOY:

I think there is a lot of different issues going on within the country that are--impact mail delay, including the actions that we took with regard to transportation. I don't think--I think the--the organizational change was made because of the poor--was accelerated because of the--

CONNOLLY:

--Yes--

DEJOY:

--Rollout.

CONNOLLY:

I--I understand.

DEJOY:

I don't know--I don't--I think that will--

CONNOLLY:

--But--

DEJOY:

--Strengthen the recovery.

CONNOLLY:

But, of course, we all live in a context, don't we, Mr. DeJoy?

DEJOY:

That--that is true.

CONNOLLY:

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You're in the context of the worst pandemic in 100 years, 176,000 Americans dead, 40,000 postal employees who have gotten the virus or quarantined because of it--

DEJOY:

--Yeah--

CONNOLLY:

--And sadly, a few dozen dead. And we're on the eve of a massive shift to voting by mail. 70--76 percent of all Americans live in a state that can vote by mail. 70 percent of Americans want to vote by mail. 50 percent to 60 percent intend to vote by mail. And along comes this.

DEJOY:

Yeah.

CONNOLLY:

Now, let's--let's stipulate that your motives were pure, that you came at this like a normal private sector CEO. You see some problems. You want to create some efficiencies and save some money and make us work better. Wouldn't you think, though, that you might take into consideration the context?

And--and if you didn't, as a good CEO, when you saw unintended consequences, which your testimony would have us believe these were unintended, you'd take measures quickly to ameliorate the unintended consequences, namely scaring the public after death about the reliability of the Postal Service, lots of anecdotal if not empirical data that in fact it materially affected the delivery of mail?

As the new Postmaster General, you don't want to be seen as the guy who actually damage the 244 reputation of the Postal Service and scared voters into believing that their ballots won't get on time because of your service, do you?

DEJOY:

So, I--I--I understand the context. And I think when we look in terms of the context, it was the summertime. Mail volume was down, you know, significantly. So, it was not an--we're getting ready for the peak season, and--and the election is three months away. It was a--a good time to--to start to

try and roll this out. The --again, the request was just run your trucks on time, put a plan to run your trucks on time.

CONNOLLY:

Okay.

DEJOY:

Okay. We--I mean, the impact--let me just--the impact is probably about 10--for that, because if a--if the mail gets processed and the truck leaves, that mail will move on the next truck or the next day, right? So--

CONNOLLY:

--Okay, I--

DEJOY:

--These long stories of--of--

CONNOLLY:

--I'm running--

DEJOY:

--Nine days and so forth, we're not impacting that--

CONNOLLY:

--Forgive me for--

DEJOY:

--Those service levels, if we had one day--

CONNOLLY:

--Forgive me for interrupting you--

DEJOY:

--One day--

CONNOLLY:

--But I--

DEJOY:

--We would be back to--

CONNOLLY:

--I have limited time. That's why I have to interrupt you. You made a statement before the Senate the other day, to Senator Gary Peters, you've had no contact with the Trump campaign during your tenure. Is that correct?

DEJOY:

I have no--I've had no contact with the Trump campaign. I have not--I mean, I've spoken to the president. I've spoken to Steve Mnuchin. I've spoken to other people. But I have not--I have no--I've had no contact about the poll--I've not spoken to anybody about the Postal Service.

CONNOLLY:

Did you not tell the Board of Governors this month in August that in fact you had had contact with the Trump campaign to ask them to stop their attacks on the Postal Service and voting by mail?

DEJOY:

I have put word around to different people to please--to--to--that this is not helpful to--

CONNOLLY:

--So, you--

DEJOY:

--To the--

CONNOLLY:

--You did have contact with the Trump campaign for a good purpose? But you did--

DEJOY:

--I'm trying to think of where--if the Trump--when you say the Trump campaign, I've not spoken to Trump campaign leader--leadership in that regard. I've spoken to people that I'm--that--that our friends of mine that are associated with the campaign.

CONNOLLY:

One of whom was Steve Mnuchin?

DEJOY:

Steve Mnuchin is secretary of Treasury. I did--

CONNOLLY:

--I--I know.

DEJOY:

Yeah. I never spoke to Steve about telling the president to not do something.

CONNOLLY:

I thank--thank you, Mr. DeJoy.

MALONEY:

The gentlemen's time is expired, but you may answer his question.

DEJOY:

What was the question?

CONNOLLY:

The question--I'm sorry. The question was what conversations did you have with the secretary of treasury, Mr. Mnuchin, about the Postal Service, your hiring and the consequences that seem to have unfolded with these operational efficiencies?

DEJOY:

Oh, the--the only--the conversation I had with the secretary were, when I came here, we had this note that was kind of stuck in the mud. And I worked with him to get the--get the note done. It was really, you know, we're going to--it was I'm going to try and, you know, control costs and grow revenue, and it was a very high level thing. And let's--let's try and get the deal done so we have the loan. That was really it.

MALONEY:

Thank you. Mr. Jordan is now recognized.

JORDAN:

Thank you, Madam Chair. Mr. DeJoy, was it the Postal Service's fault that it took six weeks after the June 23rd--Chairwoman Maloney's primary election, for her to be declared the winner? Was that your guys's fault?

DEJOY:

I'm not fulfilled with the details, but I know it took a long time.

JORDAN:

Was it--but I'm asking did--did--well, that wasn't your fault, was it? It was the board of elections.

DEJOY:

No, it wasn't.

JORDAN:

Right. Was at the Postal Service's fault that New Jersey was still counting ballots for weeks after the primary election last month?



DEJOY:

No, sir.

JORDAN:

How about--how about the Democrats Iowa caucuses? Was that the post office's fault, that we didn't know who won the Demo--I don't know if we--if we've still figured out who won the Democrat Iowa caucus. Was that the post office's fault?

DEJOY:

No, sir.

JORDAN:

So, just a couple facts. I want to make--just be clear. You got \$14 million cash on hand. You got a \$10 billion line of credit. Is that right?

DEJOY:

Yes, sir.

JORDAN:

You--and--and changing out the sorting machines and removing and changing out mail collection boxes is nothing different that has happened before, right? Every--every postmaster general, every--every year we do those sort of things. Is that right?

DEJOY:

Yes, sir.

JORDAN:

Yeah. So, there's no--no different. In fact, what was the number? I think between 2011 and 2016, it was like 12,000 mail collection boxes that were removed, changed out by the Obama/Biden administration. Is that right?

DEJOY:

It was a lot. I don't know--

JORDAN:

--Yeah, it was a lot--

DEJOY:

--That number.

JORDAN:

And you didn't order a reduction in overtime or a reduction in hours. I think you testify to that earlier.

DEJOY:

I did not.

JORDAN:

So, why are they out--why--why--why are these guys out to get you? What is it?

DEJOY:

I don't--I don't--they have their own concerns. I assume they're legitimate with them and--

JORDAN:

--Well, you assume--you assume they're legitimate. Why--why are they out to get you? I mean, Mr. DeJoy, they--they have had people protesting at your house last night. They've been doing it for weeks. 90-some of these people have already called for you to--to resign. They--they passed the--

DEJOY:

--I have--

JORDAN:

--The bill before they even talked to you, before they even had a hearing. They're not interested in any bipartisan solution, as evidenced by the fact that the chairwoman wouldn't even contact the White House Chief of Staff, who had a bill that he worked one with the previous chairman, the late Chairman Cummings, a bipartisan bill to address concerns at the post office. So, I'm asking you, why are they after you?

You were--you--first of all, you were--you were--you were appointed by the Board of Governors, right?

DEJOY:

I was appointed by--unanimous appointment by a bipartisan--

JORDAN:

--Unanimous--

DEJOY:

--Board of Governors.

JORDAN:

Unanimous vote, bipartisan, not all Republicans. Democrats thought you were the right guy for the job, right?

DEJOY:

Yes, sir.

JORDAN:

So, why are they out to get you?

DEJOY:

I--I--I have no idea. I do have a lot of support out there amongst the employees and people in America though. I receive it every day.

JORDAN:

You've got an amazing record in business. You've got an amazing history of community service. You help kids with their education, serve your community, serve our country, and these people are out to get you, when all of the facts--none of the facts--the--the--as the Wall Street Journal, said this is one giant conspiracy from the Democrats. I'm just not--I just want to know what--what--what could be there reason. What could it be, Mr. DeJoy? We know it's not based on the facts. What could it be?

DEJOY:

I--you're--

JORDAN:

--Might it be politics? Might it be? Might it be the election coming up? Might it be the fact that they actually want to wait and count votes after Election Day? Maybe they want six weeks after the election. Maybe they want to be counting votes six weeks after the election, the presidential election, the biggest election we're going to have.

Maybe they--maybe they want to be counting votes six weeks after like they did in the chairwoman's race or four weeks after the like they did in New Jersey, or maybe they want to wait forever like they did in the Democrat Iowa caucuses. May--might that be the reason, the chaos and confusion that we saw with all three of those elections? Maybe that's what they want. Could that be the reason, Mr. DeJoy?

DEJOY:

I--I don't know what motivates people to have different opinions of me.

JORDAN:

Well, they've called you all kinds of names today already--

DEJOY:

--And I--

JORDAN:

--Protested outside your house. They were there last night, weren't they?

DEJOY:

Yes, sir.

JORDAN:

Banging pots and pans outside your house, disrupting your neighbors, disrupting you.

DEJOY:

Um-hmm.

JORDAN:

When the facts--the facts as you testified are not anything close to what they have been saying for the last three weeks, what they said Saturday on the House floor. This is--we--we know what this is about. We all know what this is about.

This is about these guys wanting chaos and confusion because they--I think they know this. I think they know on election night, President Trump's going to win. They know that on Election Day, the vote count on Election Day, President Trump's going to win, and they want to keep counting six weeks, four weeks, Iowa caucus, whenever they--I don't know when they decided that one. I still don't know if they've declared a winner.

JORDAN:

I don't know if it was Bernie or Biden or whoever was running then, that is what they want and they are willing to go after a guy like you who has served our country, served his community, helps kids with their education, amazing record in business, they are willing to go after you and you have been on the job 70 days and everything you have testified is nothing new that has been done the same thing has been done by other postmaster general's yet they are coming after you because that is how much they want to get this president.

It is disgusting and we all know what is going on and your--the fact that you wall--you know it to you while say it, I think that shows your character as well but I will say it because it's true and the American people understand it and see right through it. I yield back.

MALONEY:

The gentleman (INAUDIBLE) Congressman Krishnamoorthi, you are now recognized.

KRISHNAMOORTHY:

Good morning Mr. DeJoy.

DEJOY:

Good morning.

KRISHNAMOORTHY:

Before becoming postmaster general I believe you appropriately resigned(PH) from being the finance chair for the Republican national convention, correct?

DEJOY:

I did, sir.

KRISHNAMOORTHY:

And I say you appropriately resigned(PH) because even in your written testimony you said we should keep the nonpartisan tradition of the USPS and in this case occupying a high level political post at the same time you would be occupying a high level USPS post would create at least the parent's problems if not more, right?

DEJOY:

Yes, sir. I also think I couldn't hold both positions.

KRISHNAMOORTHY:

Yes, sir. Mr. Duncan, are you on the line, sir? Mr. Duncan?

DUNCAN:

Yes, congressman.

KRISHNAMOORTHY:

Yes, sir. As chairman of the board you are one of the highest-ranking officials at the USPS, correct?

DUNCAN:

As chairman of the new board I am a member of a part time board that is Senate confirmed and--

KRISHNAMOORTHY:

But you--you are the chair of the board, you are the highest-ranking official at the USPS. I would like to point out that you are also on the board of two Republicans super PACs namely the Senate leadership fund and the American crossroads, correct?

DUNCAN:

Yes, sir.

KRISHNAMOORTHY:

And I just went to the USPS website sir and I looked at your bio and I would be remiss if I didn't point out on your official government bio at the USPS website you said as RNC Chairman he namely(PH)--you raised an unprecedented \$428 million and grew the donor base to one (INAUDIBLE) million, a record at the time. This is on your official government USPS bio. Mr. Duncan, I have a couple of other questions for you.

In your written testimony you mentioned that an outside research firm called Russell Reynolds Associates was contracted to find the quote unquote best person for the job, best person for the job of postmaster general, correct?

DUNCAN:

Correct.

KRISHNAMOORTHY:

You further noted in your testimony that Russell Reynolds reviewed 212 candidates and then they narrowed the search 253 after they reviewed those people's bios and backgrounds and they vetted

DUNCAN:

Yes, sir.

KRISHNAMOORTHY:

And interestingly according to David Williams, the former vice chairman of the Board, the former inspector general for 13 years at the USPS as well as a published report over the weekend Mr.--Mr. DeJoy was not among the 53 presented to the board. Either one, Russell Reynolds considered Mr. DeJoy and decided there were 53 better candidates than him or Mr. DeJoy was not considered by Russell Reynolds at all before presenting the 53 finalist. Which was it Mr. Duncan?

DUNCAN:

We were still in the process of developing the pool before we had our first round interviews at that point.

KRISHNAMOORTHY:

I understand. You are talking about the first round interviews, they round of 14 but you don't dispute obviously in your answer that Mr. DeJoy did not make the initial cut of 53 finalist reported to the board but he was inserted into the round of 14 not by merit but his connections. It would be the same as an NCAA team not making the round of 64 but then swooping into the round of the Sweet 16 and that is what happened here.

So let me ask you this question. Mr. Williams repeatedly asked the board to do a background check on Mr. DeJoy by the postal inspection service. Do you know what the postal inspection service says, sir?

DUNCAN:

Yes, sir.

KRISHNAMOORTHY:

And you and the board refused to do that background check and that was not shared with the board before they voted. Now let me turn to my final set of questions here. Mr. Duncan you were once



quoted in a Republican fundraising letters saying quote the Obama-Biden Democrats and their liberals special interest allies are trying to steal their election victories from Republicans. I assume you still believe that about Joe Biden and the Democrats, sir?

DUNCAN:

I have no knowledge of that fundraising letter.

KRISHNAMOORTHY:

It is in these CNN article that quote you directly right here and then we have another article from the Las Vegas Sun it says and again you wrote in a letter Democrats will soon be trying to pad their totals, that ballot boxes across the country with votes from voters that do not exist. Do you still believe that to be the case Mr. Duncan?

DUNCAN:

What are the dates of these letters?

KRISHNAMOORTHY:

This article is from the Las Vegas Sun from 2008. Do you still believe this--

DUNCAN:

Yes, sir.

KRISHNAMOORTHY:

--this sentiment?

DUNCAN:

I--make I don't believe anyone at this point who is a nominee of the major parties is trying to steal an election.

KRISHNAMOORTHY:

Thank you. That would be in contra--contravention of what the president said in a tweet on August 20. They are trying to steal this election, the Democrats.

MALONEY:

The gentleman's time has expired but the gentleman may answer.

DUNCAN:

Let me respond. There are lots of false premises in this about making the cut, the process work that we had lots of people input including members of Congress, members of the administration, all of our board members. I think I put it in half a dozen different names. We ran into a period of time after the holidays when COVID started that we were moving as fast as possible.

We got together, we talked about well, we need to make sure that we have as many candidates as possible because you get a better pool, you get better choices then at that time. Because during that period of time that Mr. DeJoy interest became or availability became known to me I submitted that name as I had many others.

MALONEY:

Okay. The gentleman's time has expired. Mr. Massie, Congressman Massie you are now recognized. Congressman Massie? Congressman Massie you are now recognized store we could then go to Mr. Higgins.

UNKNOWN:

Mr. Hice.

KRISHNAMOORTHY:

Roy--Mr. Roy.

MALONEY:

Okay. We have some difficulty. We are going to go to Mr. Roy and come back to Mr. Massie. Mr. Roy?

ROY:

MALONEY:

We can hear you but we are not seeing you. Now we see you.

ROY:

Okay, excellent. I appreciate it. Thanks for the indulgence. Mr. DeJoy can you answer a couple of questions for me? Were you nominated by the President of the United States or were you selected by unanimous bipartisan board?

DEJOY:

I was selected by a unanimous bipartisan board.

ROY:

Thank you. A minute--minute ago my colleague Mr. Connolly lamented you have done quote 70 days of damage yet Mr. Connolly if I'm not mistaken has been on this committee for 11 years chair or ranking chair(PH) of the Government Operations Committee for seven years and given that the Oversight Committee held a hearing in April 2019 about the financial condition of the USPS why do you think Mr. DeJoy that we are having a hearing today, 71 days before an election and 48 hours after we voted on legislation before we had the hearing? Why do you think we are having a hearing today?

DEJOY:

I--I do not know Sarah but I will say that I am surprised at the lack of attention to the financial condition of the Postal Service over the last 10 years.

ROY:

So you are saying to me that the financial condition of the Postal Service is nothing new, that this is something that we have known has been coming for a long time and that the Postal Service has lost money for what, at least 13 consecutive years?

DEJOY:

ROY:

Okay. Mr. DeJoy does the United States Postal Service deliver 8 billion pieces of mail a month give or take?

DEJOY:

Yes, sir.

ROY:

And does it have about \$14 billion cash on hand to manage the affairs of the Postal Service for right now is that right?

DEJOY:

Yes, sir.

ROY:

If every single American voted by mail which won't happen by the way we all know that it would be less than about 2 percent of the total mail delivered in a given month, right? In other words USPS perfectly capable of handling any amount of mail that would be attached to our election in November?

DEJOY:

We are very ready to handle the election mail, sir.

ROY:

Mr. DeJoy do you believe that this hearing to date so far or at any point today will cover any of the following. The PPP extension to ensure small businesses can survive while governments are keeping businesses shut down, the thousands of restaurants, the thousands of live music venues, the thousands of hotels, the thousands of barber shops across the country that are struggling to survive. Is anything in this hearing going to discuss any of that to the best of your knowledge?

DEJOY:

No, Sir.

ROY:

Are you aware of this Democratic Congress pulling up any legislation to deal with these issues this month rather than going home but yet calling Congress back on Saturday to have a hearing--I'm sorry, have a vote before we even have a hearing on Saturday. Are you aware of that or is this the only thing that we've been voting on in August?

DEJOY:

I haven't been following the agenda of Congress that much. I've had my own issues to--to deal with. I know this is--

ROY:

--Yeah, well I appreciate that. There--there hasn't been that much to follow. So I appreciate that. Are we discussing, for example, human trafficking? Will that be discussed today? I've been asking for a hearing on the scourge of human trafficking, what we can do to stop that. I've been asking for a hearing on that for over a year. We are not having that hearing today, are we? We're having a hearing on this topic. Is that right?

DEJOY:

I think we will be sticking to Postal Service matters.

ROY:

That's right. Look, Mr. DeJoy, I appreciate you being here in front of the committee. I think the fact of the matter is pretty clear. This is a political exercise. This is a show hearing. I've already been seeing out there on social media some of the difficulties that technology and everything else.

The fact of the matter is, we are jamming through this for theater. We are doing a hearing on that Monday after a vote on Saturday that has no prayer of becoming law and this is exactly what the American people are sick of.

They want the Postal Service to operate and you're trying to work on trying to make it operate. We should have hearings about the health and the financial status of the Postal Service. We should work on legislation to improve it. There aren't bipartisan efforts to do that. We should actually roll our sleeves up and do that work.

But by the way, I would say the same thing about PPP. I was proud to work with Dean Phillips in June to pass bipartisan legislation to help small businesses. Why aren't we doing that right now? Why aren't we doing that today? That is our job and there are people out there who are struggling that can't make they checked, they can't pay their mortgage, there wondering where whether they're going to have the revenue in order to survive for a business they built up or to be able to employ the people that have worked for them for years.

That's what we should be working on, Madam Chairwoman. And I would just posit that this is a waste of time for the United States Congress. The American people are sick of it and we should be allowed allowing the Postal Service to go back you're doing its job here. We should be focusing on doing ours. With that, I'll yield back.

MALONEY:

I think the gentleman for--for yielding and his comments. And just as a point of information, the Democratic Congress did pass the HEROES Act on May 15th that did fund all kinds of help to people and that is sitting on Mitch McConnell's desk--

ROY:

--Madam Chairwoman--

MALONEY:

--As well as this bill. So he has a choice. He can--

ROY:

--Madam Chairwoman--

MALONEY:

--Move a stand alone or he can move the HEROES Act. I now recognize--

ROY:

--Madam Chairwoman--Madam Chairwoman--

MALONEY:

--Congressman Raskin. Mr. Raskin, you are now recognized.

ROY:

Madam Chairwoman--

RASKIN:

--Thank you, Madam Chair. I've got--

ROY:

--Madam Chairwoman--

RASKIN:

--I've got diabetic constituents who are waiting for insulin. I've got constituents with cancer waiting for chemo drugs to come in. But this headline really took the cake for me. Rats reported feeding on packages of rotted fruit and meat as postmaster general's cut backs unleash chaos at California's mail centers. This is from not some haven of liberal fake news. Business Insider Magazine.

Mr. Postmaster General, why do you celebrate on time departure of postal vehicles if the deterioration in service that you regret has caused letters and packages left stacking up in the mail centers? Should we be celebrating vehicles going out on time if they don't have peoples packages and letters on them in their--their prescription drugs?

DEJOY:

Sir, we're concerned with every late delivery and every package build up and there are a lot of contributing factors to why, you know, and where--

RASKIN:

DEJOY:

--But let me finish. The--the process is an integral part of delivering mail and is it cost effectively.

RASKIN:

Okay. President Trump called the Post Office--

DEJOY:

--And why would we--why would we--because the alternative is to run trucks late and run extra trips. Extra trips were all empty also. Thousands of them empty (INAUDIBLE)--

RASKIN:

--Forgive me because I have limited time. I cannot allow you to filibuster here. President Trump called the Post Office a joke. Is it a joke?

DEJOY:

The Postal Service is not a joke.

RASKIN:

Mr. DeJoy, if I wanted to become a letter carrier or a mail handler, a postal clerk, would you hire me without a background check?

DEJOY:

We have a process that I do believe includes background checks, so no.

RASKIN:

Yeah, it's compelled. Right? Everybody has got to take a background check except they didn't have one for you.

DEJOY:



RASKIN:

You did have a background check?

DEJOY:

Yes.

RASKIN:

So would you--

DEJOY:

--Background checks, I got secret clearance, I got FBI background checks. I've had everything.

RASKIN:

Okay. So you would be willing to release the background check?

DEJOY:

No. Why would I release a background check--

RASKIN:

--Well, that's interesting. Let me--let me go to Mr. Duncan about that. Mr. Duncan, would you be willing to--to allow Russell Reynolds to turn over the file from this process? Mr. Duncan?

All right, let me come back to you, Mr. DeJoy. The--the former chairman of the Postal--vice chairman of the Postal Board of Governors, Mr. Williams who was also the inspector general also reported that you didn't come through the normal Russell Reynolds interview process but you were apparently the product of different nominations by different political people.

And the astonishing thing about what he said last week was that when you finally were brought in for that first interview, you basically interviewed the selection panel rather than them interviewing you to

the point that one of the members joked that they had better asked you at least one question so that it couldn't be said that it wasn't a real interview.

Now, you were also reported stating that you weren't sure that you wanted to accept the job and you needed to essentially interview them about what it entailed. What gave you the confidence that the job was basically yours for the asking when you finally met the selection committee?

DEJOY:

Sir, I did not think the job was mine for the asking. I had--I don't know what Mr. Williams' contention is or what his problem is with me. I haven't--

RASKIN:

--He was the inspector general for 13 years at the Postal Service and the vice chair.

DEJOY:

Okay, so--

RASKIN:

--So he--well--

DEJOY:

--He's part--he's authored probably part of the reports that have been stacking up that this committee hasn't done anything about--

RASKIN:

--What do you make of the former chairman of the Postal Board of Governors Mr. Feynman calling Treasury Secretary Mnuchin's involvement in the selection process absolutely unprecedented?

DEJOY:

I--Steven Mnuchin had nothing to do with my selection, Okay? I was I was called by Russell--

RASKIN:

--Did you talk to Secretary Mnuchin about taking the job? There was a report that you had lunch together to discuss this?

DEJOY:

It's totally inaccurate and outrageous.

RASKIN:

You've never talked to him about--before taking the job, you never talked to him about taking this job?

DEJOY:

I talked to him about the job after I received the offer. I did not accept the offer immediately.

RASKIN:

Okay, but you never spoke to him before about the about his soliciting your interest in the job or--

DEJOY:

--He did not solicit any interest. I kept I kept my interest, which I--as you identified, I did not know that I had an interest. I had a perfectly good life prior to this, but I was interested in helping and I was called by Russell Reynolds out of the blue--

RASKIN:

--Okay, one of the reasons that we have background checks, and I'll be very interested with--with your permission and Mr. Duncan's permission to see your background check is that we identify patterns of misconduct or potential conflicts of interest that are out there. Now, you had--

DEJOY:

--(INAUDIBLE) sir, I have no patterns of misconduct in my background--

RASKIN:

--Let me finish my question, if I could--

COMER:

--Madam Chair, he's gone overtime--

RASKIN:

--One of your businesses was called New Breed Logistics, later XPO Logistics, which has contracts with the Postal Service stretching back many years.

MALONEY:

The gentleman's time has expired. The gentleman may answer his question.

RASKIN:

Okay, well the question is they--they identified problems with contract performance in and billing practices in the contract file. Would you consent to releasing that contract file so everyone can see what your business--

DEJOY:

--I--I don't even know what you're speaking about.

RASKIN:

All right, well are you not--are you not aware that XPO Logistics, which took--

DEJOY:

--I am aware of XPO Logistics.

RASKIN:

Okay. So do you have \$30 million invested--

COMER:

--Time, Madam Chair. He's gone way over his time.

RASKIN:

Do you have \$30 million invested?

COMER:

That's--he doesn't--

DEJOY:

--I have a significant investment--

COMER:

--He doesn't even have to answer that.

DEJOY:

--In XPO Logistics, which I vetted before with the ethics Department of the Postal Service and I was given specific types of--of guidelines that I needed to adhere to. It's a very, very small part of the Postal Service business. I have nothing to do with. And I--my my--I complied with all ethical requirements and we have an OIG investigation. Out get--I guess they'll get to everything that you're interested in and we will see what will happen.

RASKIN:

Well

COMER:

Mr. Raskin's time has expired.

MALONEY:

The gentleman's time has expired. The gentleman has been testifying for two hours. I call for a five minute break. We will resume in five minutes. A five minute break.

(RECESS)

MALONEY:

--Now back to work. And our next--Representative Massie, you are now recognized.

MASSIE:

Okay, Madam Chairwoman. Can you hear me?

MALONEY:

Yes, we can. We can't see you, but we--

MASSIE:

--Okay--

MALONEY:

--Can hear you.

MASSIE:

Uh-oh. Let me--you can't see me.

MALONEY:

Okay, turn on your--

MASSIE:

Can you--

MALONEY:

--There you are. There you are. We see you and we can hear you. Okay.

MASSIE:

Okay.

MALONEY:

Mr. Massie is now recognized.

MASSIE:

All right. Okay. Madam Chairwoman, I ask unanimous consent to submit to the record to press releases from the U.S. Post Office. The first one's from April 28th, 2011. The second one is from February 23rd, 2012.

MALONEY:

Without objection.

MASSIE:

All right. I want to read some excerpts from these press releases and then ask Chairman Duncan to--to respond to the press releases, because these are from Kentucky.

In 2011, the post office announced, and I'll read this, as a result of a study begun in September 2010, the Postal Service has made the decision to move mail processing operations from the Ashland processing and distribution facility to the Charleston, West Virginia processing and distribution facility. What this means is here in eastern Kentucky, when we mail our next door neighbor, the envelope goes to Charleston, West Virginia before it comes back to our next-door neighbor.

I want to read from this other press release from the U.S. Post Office, the Kentuckiana district. It says as--and this is February 23rd, 2012. As a result of studies begun five months ago, the Postal Service has made the decision to move all mail processing operations from Bowling Green, Kentucky moved to Nashville, Compton Kentucky, Elizabethtown Kentucky, Hazard Kentucky, Lexington Kentucky. Our second-largest city lost their mail processing facility in 2012. Paducah Kentucky moved to Evansville Indiana, and Somerset Kentucky, Knoxville Tennessee.

So, this was in 2012. This was an election year and this was while Obama was president and Biden was vice president. I want to read a quote from chief operating officer Megan Brennan at the time. The decision to consolidate mail processing facilities recognizes the urgent need to reduce the size of the national mail processing network to eliminate costly underutilized infrastructure. Consolidating operations is necessary if the Postal Service is to remain viable to provide mail service to the nation.

Now, the Democrats have cooked up this conspiracy theory that the post office is now somehow going to be at fault for disenfranchising voters or suppressing votes because--and--and the media is complicit in this. They've shown a video of mail sorting equipment being moved out of facilities. Well, here I've just mentioned 10 facilities in Kentucky that were shut down in an election year. And so, I want to ask Chairman Mike Duncan, Mr. Duncan, do you believe this in 2012 was part of some conspiracy to disenfranchise voters in the 2012 election or part of some conspiracy to keep people from getting their medication or Social Security checks?

DUNCAN:

Congressman, I have no knowledge of the conspiracy that--to keep people from voting or getting their Social Security checks. But as a resident of that area, I know that it's added to the number of days it takes to send or receive a letter.

MASSIE:

Right. And--and you--I think--I believe you know that chief operates--chief operating officer Megan Brennan. She was the CEO--O in 2010 and then became postmaster general. Did--do you question her motives in--in the course of these operations?

DUNCAN:

No, I--I worked very closely with Megan Brennan when she was the chief of this organization. And she has great integrity. She knows the system. She's been an operations person. She was a letter carrier. She worked her way up. She leads post office (INAUDIBLE).

MASSIE:

And she has a--a--a business degree from MIT, I would add. So, this--this wasn't a part of any kind of conspiracy then. It was a part of realigning the infrastructure of the post office to the changing needs of the U.S. customer.

And I just want to close by highlighting some irony and hypocrisy. Postmaster General DeJoy, how long will the post office be funded? If there's no more transfers of cash to the post office, how long can you operate?



MALONEY:

Sir, would you turn on your mic, please?

DEJOY:

Late 2021.

MASSIE:

Okay, late 2021, so at least for one more year. I hope that members of this committee are aware that the U.S. government ceases to be funded on September 30th of this year. So, we are holding a hearing about a post office that's funded for fully another year. Meanwhile, we're not even in town because Speaker Pelosi isn't concerned that government funding ends on September 30th. Everything but the post office shuts down on September 30th at midnight if we don't do something.

Also, one other element of irony and hypocrisy, our Democratic shut down 95 percent of the voting precincts and the state, and now Democrats are somehow trying to blame the post office for disenfranchising voters. And with that, I will yield back.

MALONEY:

The gentleman yields back. We know rep--recognize Congressman Rouda.

ROUDA:

Thank you, Madam Chairman. Let's level set. For the thickheaded individuals that don't understand why we're here today, let me sum it up for you.

First and foremost, mail is being delivered late at the expense of those who need prescriptions, at the expense of small businesses who need the supplies to stay in business or reopened for business, for Social Security recipients and veterans who need their benefits. That's the first reason.

The second reason, we've got a president of the United States who says that mail in ballots are fraudulent and if he doesn't win the election, it's because it was fraudulent. We know that's not true. We know that's a lie. In that lie continues to be continued by members in this committee on the other side of the aisle.

Third, we know from a memo from Mr. DeJoy to 46 states telling them they should be worried about receiving mail in ballots to their voters on time and for them to be returned back in time to be counted. And fourth, we're here because the United States Postal Service has requested financial help from this institution.

Let me turn to my questions. Unlike any private enterprise, the Postal Service as a universal service obligation to deliver mail to virtually every address in the United States regardless if it's profitable or not. The Postal Service also has a ridiculous mandate to pre-fund in 10 years time 75 years of retiree health benefits, unlike any other private or public institution.

Mr. DeJoy, in your testimony, you stated that you are against the pre-funding mandate. The Trump appointed board of governors, postal workers, and senators on both sides of the aisle are against that mandate. As you know, there is a bipartisan bill sitting on Mitch McConnell's desk that would eliminate the pre-funding mandate and free up tens of billions of dollars for the U.S. Postal Service.

Here's some free business advice. Pick up the phone. Please call Mitch McConnell, because one vote and one stroke of a pen by this president would free up billions of dollars for the U.S. Postal Service to be able to accomplish the opportunity to revitalize that organization for decades to come.

I have some questions about your business plan. It's standard practice as an executive to come in, meet with your team, and develop a strategic plan before executing operational changes. This was the plan that was released in May just before you became postmaster general. Did you make any written modifications to this plan since you have taken office?

DEJOY:

First of all, sir, I--I--you're--you're incorrect in my position on the pre-funding of the healthcare. In my written--in my written statement that--

ROUDA:

--I know you support it.

DEJOY:

I support it.

ROUDA:

Yes, I--I do--I said that. Yes, you do support it. I recognize that, but back to my question. Have you made any modifications to this business plan?

DEJOY:

Well, I'm working on making modifications to that business plan.

ROUDA:

Yes. In fact, you--on August 13th, developing a strategic plan to achieve operational excellence and financial stability. Is--that plan that you're working on--would it usurp this plan?

DEJOY:

If approved by the board of governors, it--it would. And I must say we--we--we do need to identify that. The legislation also requires the Postal Service to be self-sustaining, and it has not been self-sustaining for the last--

ROUDA:

--And that's why getting rid of the pre-mandate is so important.

DEJOY:

Exactly.

ROUDA:

But I just want to make sure that we are working under a written plan of some kind. If you have made any written modifications in memos to team members, will you provide this committee with that information so we know how you have modified this five-year plan?

DEJOY:

I--when we come out with a plan, we certainly--

ROUDA:

DEJOY:

--I--I--

ROUDA:

--Floating around, right? You can give us a draft--

DEJOY:

--I would not--

ROUDA:

--Can't you?

DEJOY:

I would not.

ROUDA:

You can't give us a draft? I mean, we just got the report with the KPIs showing that you're down 10 percent nationally when we know that in battleground areas it's done even more. So, you are able to get that to us late. Can you give us that information as requested?

DEJOY:

Probably not.

ROUDA:

Let me ask you this. Let's turn to the impact you have had with the internal communications that show senior managers not to even plug in the previously disconnected machines without approval from headquarters. Mail processing equipment and blue collection boxes will remain where they are. Will you tell your workers in the American public right now that USPS employees can plug in disconnected machines?

DEJOY:

I'm--I'm unaware of the directive that you're speaking about.

ROUDA:

Well, it's an internal communication from--

DEJOY:

--I got the--

ROUDA:

--The USPS. So you will then allow them to plug in machines to be able to do their job?

DEJOY:

I'm not going to agree to something I'm unaware of or the memo that you're speaking of--

ROUDA:

--But you know how absolutely insane this is. This is like telling Jamba Juice they can't plug in the blenders to do their job.

DEJOY:

Well then there must be a reason. I didn't do it, but the organization is--has--

ROUDA:

--But you're the head of the unit. You're the head of the business. The buck stops with you.

DEJOY:

The buck on what machine gets plugged in? That's outrageous statement.

ROUDA:

The fact that you're down over 10 percent nationally in service--

DEJOY:

--That has nothing to do with a plugged in machine anywhere--

MALONEY:

The gentleman's time has expired. The gentleman's time has expired

ROUDA:

I yield back. Thank you, Madam Chair.

MALONEY:

The gentleman can't answer the question if he--we now recognize Congressman Ro Khanna. Excuse me, Hice. Congressman Hice.

HICE:

Thank you, Madam Chair. I will just bring up, Madam Chair, if I may the fact that you allowed Mr. Raskin to go significantly over his time while at the same time cutting off Mr. Roy is not going unnoticed. And I think Mr. Roy's point regarding the HEROES Act that there was \$3.4 trillion of swamps pending and did not even extend the PPP, which was what it was supposed to do. But what the Heroes Act did include was universal mail in ballots, no voter ID for all those ballots, ballot harvesting.

It's funny to me that the heroes act, which was supposed to be about COVID help and relief did not extend PPP but it did have a whole lot of voting reform in it but actually brings us into the conversation here today. Mr. DeJoy, let me just--I think you would agree with me, would you not, that the sanctity of the voting box, the ballot box is a paramount issue for Americans. Would you agree?

DEJOY:

Yes, sir.

HICE:

And I'm sure all of us would. Now, in 2017, there was an investigation by the Office of Special Counsel that concluded that the United States Postal Service improperly coordinated with the Postal Workers Union in support of Hillary Clinton and the investigation, the OSC investigation went on and stated that it was a systematic violation of the Hatch Act that was involved. And in fact, many postal workers had to--were required to work overtime to make up for the absence of all of that.

It is also very interesting that the union we are referring to as a National Association of Letter Carriers, which just 10 days ago endorsed Biden for president. Let me ask you, how many fraudulent votes are necessary for it to be considered too many?

DEJOY:

I have--I don't know, sir. I guess one.

HICE:

I would--I would say one. We don't want fraudulent votes. There's no reason for us to have that. Your predecessor--your predecessor, Ms. Brennan committed to Congress to fully implement some of the recommendations, in fact all the recommendations from OSC to avoid future Hatch violations. So I'd like to ask you what--what kind of changes have you made to prevent these type of violations from taking place in the future?

DEJOY:

Congressman, I--that is not a focus I've had in my 70 days, but I will take a look at the status of that initiative and get back to you.

HICE:

Okay. I would appreciate you getting back with us. You know, I--there's no question in my mind that the vast majority of USPS workers are--are faithful workers, their honest, dedicated public servants. That being said, with the OSC has identified is without question many cases of political bias.

And in fact,--and when you--just lay this out. When you have a union that consists of 300,000 workers and that union comes out and endorses a candidate in this case Biden, and then that union is supposed to be expected to accurately handle and deliver ballots to both parties fairly, does that raise any concerns for you at all?

DEJOY:

Sir, I respect everybody's, you know, right to support candidates and donate to candidates. I've done so myself for 20 years. So to--in my mind, it doesn't raise any awareness on the--you know, concerns with regard to postal workers and their initiatives--

HICE:

--I respect the right--let me interrupt--I respect the rights of independence too--

DEJOY:

--The--you know, we--the Postal Service has 650,000 people and we will have, like the rest of the American society, we will have people that don't pay attention to the laws. But for the most part--

HICE:

--Mr. DeJoy, (INAUDIBLE)--

DEJOY:

--I believe in the ability to donate and support--

HICE:

--I respect your--your--thank you for your answers--

DEJOY:

--The election process.

HICE:

Thank you for your answers and I respect the right for people to vote and support who they want to as well, but this is a case where you have 300,000 workers union that has endorsed Biden and there is there must be in place some sort of mechanism to ensure that the handling of those ballots and--and all political material, election material is properly handled and not in a biased way. And I look forward to you responding to us in the next week or so. I yield back.



DEJOY:

Yes, sir. Thank you.

HICE:

Thank you.

MALONEY:

The gentleman yields back. I now recognize Congressman Ro Khanna.

KHANNA:

Thank you, Madam Chair. Thank you, Mr. DeJoy for being here. I want to see if we can find some common ground to resolve some of the differences. Can you begin by sharing with the American people in this committee the unofficial motto of the Postal Service?

DEJOY:

No--no rain, no snow that--sleet nor hail will make--yes. I can't say--

KHANNA:

--Yes. It's about service, correct? Not about profit. Do you know how many veterans served in the Postal Service, about?

DEJOY:

100,000.

KHANNA:

Correct. Do you know what percentage of veterans, about, rely on the Postal Service for their prescription medicine?

DEJOY:

I don't know, sir.

KHANNA:

It's a high number. It's about 80 percent of veterans. So I guess my beginning, I want to ask you this. You know, our Defense Department, we don't tell them you have to go sell weapons to make revenue to serve the American people. We don't say that about our health service or the National Institute of Health. Why should we have a different standard for the Postal Service? Why do you have to go make a profit instead of just serving the American people?

DEJOY:

Sir, that's an interesting and good question and it's not the wheat need to make a profit, it's to be self-sustaining, which means cover--at least cover your cost.

KHANNA:

But why? At such a small--

DEJOY:

--I'm a--I'm not a legislator. I'm the postmaster general

KHANNA:

Do you do you know--I mean, do you know the history? Do you remember the time in the Postal Service history where that wasn't a requirement?

DEJOY:

I do. In the 70s.

KHANNA:

Actually, it was 1840 to(PH) 1970 we funded the Postal Service. We didn't require them to make a profit because we thought people should--in rural America and other places and our veterans should serve. And one of the reasons people serve in the Postal Service who served in our military as they view it as public service.

Now, I appreciate appreciated one point you made, which is you assume that those of who those who disagree with you have a legitimate difference, a legitimate perspective. Your perspective is that these mail sorting machines aren't required because packages need to be delivered and open up floor space. It's your testimony that you didn't direct it. Director--who directed it?

DEJOY:

I didn't--have not done (INAUDIBLE)--it came probably through our operations, but in a long term--

KHANNA:

--So you don't know who directed it?

DEJOY:

No.

KHANNA:

You don't know who implemented it?

DEJOY:

Well, there's--there's hundreds of them around the country and different places. There's an initiative within the organization that preceded me--

KHANNA:

--Okay, so your perspective is this is necessary to make efficiency of packages. You understand that there are millions of people in America who had the opposite view who are concerned that this may slow down the delivery of mail. Do you have any sense of how much it would cost to restore these machines?

DEJOY:

No, I--I

KHANNA:

Would it be more than \$10 billion?

DEJOY:

More than what?

KHANNA:

\$10 billion

DEJOY:

\$10 billion?

KHANNA:

Yeah. No, right?

DEJOY:

No

KHANNA:

More than a billion--

DEJOY:

--It would be less than \$10 billion.

KHANNA:

Less than \$1 billion?

DEJOY:

I would assume so. It's some 700 machines.

KHANNA:

So here's my question. Let's stipulate that you may be right about the efficiency. I disagree with you, but let's just stipulate that. Now, we have Donald Trump, the president tweeting out yesterday that he's up in the polls. He thinks he's going to win. Nate Silver thinks--

KHANNA:

--Biden is going to win. I think everyone in this room can agree on one thing, whoever wins the American people should have confidence in that results. So if it was(PH) cost less than \$1 billion regardless of whether it's efficient or not want is the harm in just putting those machines back until election day just for the peace of mind for the confidence of the American people?

DEJOY:

First of all serve you know we do not we have heard all of the statistics about the mail and the votes and so forth and we don't need the machines to process an election but you make a statement to about four \$1 billion if we just gave you \$1 billion, you're not going to give us \$1 billion. We can make a request you have no way of getting us \$1 billion. We haven't been funded in 10 years, you can't pass any legislation, can't pass any legislation that helps the Postal Service make.

KHANNA:

If I can just finish this point if we give you the money do you see my point--

DEJOY:

It's a hypothetical I'm not willing to--you have given us any money you haven't given us any legislation--

KHANNA:

What is the harm? But what is the harm?

DEJOY:

And you are sitting here accusing me of things with regard to--

KHANNA:

I have an accused you of anything. I am trying to understand--

DEJOY:

(INAUDIBLE) we will give you (INAUDIBLE) it is just big talk.

KHANNA:

I am trying to understand what most Americans are trying to understand. What is the harm in putting these machines even if the machines in your perspective don't do anything what is the harm to do it until election day.

DEJOY:

In Washington it makes plenty of sense. To me it makes none.

KHANNA:

You haven't explained why and then final question--

DEJOY:

Because they are not needed that's why.

KHANNA:

But if it will restore people's faith in a democracy and avoid a polarized election--

DEJOY:

Get me the billion dollars, get me the billion dollars and I will put the machines in.

KHANNA:

Okay well that's a commitment. We will find a way to get you the money. The last question I have for you is can you you know Reagan said trust but verify. I understand you have committed to the American people that you are going to have these delivered in time. Can you give us a specific and detailed plan and submit that to Congress on how you are going to make sure that the ballots get delivered in time?

DEJOY:

I need to get back to you. If there is a plan that we can I mean normal processing procedures plus enhanced processing procedures around an election I can probably give you some type of summarized objectives that were trying--that we will try to fulfill.

KHANNA:

I appreciate that. I appreciate the commitment of \$1 billion and you will put the machines back into play so thank you.

DEJOY:

Thank you.

MALONEY:

They gentleman yields back. I now recognize Congressman Comer.

COMER:

Thank you Madam Chair and you went over four minutes so I may go over a few minutes and I hope you will indulge me in my questioning.

Mr. DeJoy thank you again for being here today. I'm sorry for some of the rhetoric that you have had to endure over your first 60 days in office area that is something I want to remind everyone. You have been Postmaster General for around 60 days, is that correct?

DEJOY:

Seventy today.

COMER:

Now I want to make this very clear to the American people who are watching this committee hearing. You report to the Postal Board of Governors, is that correct?

DEJOY:

I do, sir.

COMER:

And the Postal Board of Governors is a bipartisan board comprised of both Democrats and Republicans, is that correct?

DEJOY:

It is, sir.

COMER:

And its makeup is that way because of the statute passed by Congress requiring a bipartisan board of governors, right?

DEJOY:

Yes, sir.

COMER:

Well, if there's one thing I hope my Democratic colleagues learned today is that you report to the board of governors not the president of the United States. Now there's been a lot of rhetoric by my friends on the Democrat side of the aisle pertaining to all of the changes that have been made. In fact I want to reference a tweet by Representative DeFazio I assume this is a photo op where he has chained himself to one of the blue boxes that have been in the news a lot lately.

In your opening testimony Mr. DeJoy you said you didn't remove--you didn't order the removal of the blue boxes, sorting equipment or the reduction of over time. Can you explain to us who did and what that process was because I think it's important for the American people to know because there are a lot of Democrats here even though they have talked about politics and they have talked about the fact that the president wants to sabotage the election the Democrats are using this as a political ploy.

They are spending this to try to benefit politically. In fact Representative DeFazio has received \$32,000 from the Postal Workers Union since 2012 so I am sure his campaign donors probably appreciated that photograph but again if you wouldn't mind telling us about the process briefly of the removal of the blue boxes to order them and how that came about?



DEJOY:

So sir this is a long-standing thing that has been going on in the Postal Service for a long time. This you know the fact that I am here at the committee to talk about boxes and things I would much rather take the time to talk about the legislation we required to help got us into a sustainable position and other matters that concern the Postal Service. It had nothing to do with boxes or machines or restricting over time or throwing the election or anything.

COMER:

Will correct me if I'm wrong, on average about 3 100 collection boxes a year over the past seven years have been taken off-line dating back to the time when Obama was president is that correct?

DEJOY:

It has been a long time, yes.

COMER:

Am I correct to say this, when--during the Obama Biden administration they removed 12,000 blue boxes? Is that correct?

DEJOY:

I--I think 35--I think there was (INAUDIBLE) it is just hard for me to associate box removal with the President of the United States so you guys can do that here. I have a hard time.

COMER:

Mr. Postmaster General do you remember the Democrats calling for the then Postmaster General to resign because President Obama removed 12,000 blue boxes? Do you remember that?

DEJOY:

I don't think I ever recall--

COMER:

I don't either.

DEJOY:

Postmaster General to resign.

COMER:

So let's--let's be very clear removing these sorting machines the blue boxes that were removed they won't affect the Postal Service's capacity to handle ballots this election season. You have testified as to that, correct?

DEJOY:

Yes, sir.

COMER:

Correct. Now the Democrats want to portray you as implementing new policies because of the false narrative that the president wants to somehow sabotage the election. Is that narrative true?

DEJOY:

I am not engaged in sabotaging the election.

COMER:

Absolutely false. As a matter of fact are you planning on voting by mail? Did someone tell me that?

DEJOY:

I am, yes.

COMER:

So you have full confidence that when your ballot is in the mail it will get to the appropriate election official on time? Obviously, correct?

DEJOY:

Yes, sir.

COMER:

Will you pledge here today that the Postal Service will do its best to return all ballots this election on time?

DEJOY:

I do, sir.

COMER:

What would you tell Americans who are concerned about something happening to their ballot once they put it in the mail this election season? What would you tell Americans because they have seen a lot of that from my colleagues on the Democratic side, this has been their spin since the Russian hoax fell flat, since the impeachment sham died in the Senate.

Every conspiracy theory today that the Democrats have used to try to hurt the president has fallen flat so this is the new flavor of the day and it has have the consequences of putting a lot of Americans concerned that if they drop that absentee ballot in the mail that it's not going to get to the postal--that it's not going to get to the election the official. How can you relieve their--their fears that the Democrats have caused?

DEJOY:

The American people have the commitment of the 650,000 men women and men of the United States Postal Service that we will do everything within our power and structure to deliver ballots on time but again we remind them to request your ballot early and vote early.

COMER:

You know it is really discouraging to hear the rhetoric from the Democrats about this whole postal issue. My grandmother was a rural mail carrier in Tennessee, spent her whole career as a rural mail carrier. The--the men and women I know in the Postal Service work extremely hard and they deserve better than the rhetoric and the postal bashing that has been coming from the other side all for political purposes.

We all want to see the post office succeed especially in a district like mine, a very rural district that-- that still hasn't recovered from what Congressman Massie mentioned the changes that Obama made when he took these sorting facilities out of Bowling Green, Kentucky and Paducah, Kentucky but I--I will close my question with this.

This is a sad day for the Oversight Committee. The Oversight Committee is responsible for identifying waste, fraud, and the abuse. The Oversight Committee is supposed to be responsible for making government transparent and accountable.

Postmaster DeJoy you have come here with a sterling background. You are one of the most qualified postmaster general's we have ever had with your background in the logistics business. It is an honor for the federal government to have you trying to reform the post office but the bill that the Democrats rushed through Saturday without even having a committee hearing on it

COMER:  
That bill ties your hands, and it also gives \$25 billion to the Postal Service, which I find ironic because Mr. McGovern in the rules committee markup on Friday said he didn't trust you. We've had a couple of other Democrats say that they didn't have confidence in you, but they gave you a \$25 billion blank check with no strings attached. They've tied your hands to where you can't make any needed reforms. That's not what the--this committee is supposed to be about. I apologize as a minority member of this committee. I hope that we can do better in the next Congress. Madam Chair, I yield back.

MALONEY:  
The gentleman yields back, and I--I recognize myself for a point of personal privilege and information. The bill that the House past that I authored, I authored that bill after the postmaster general came forward with changes to the post office that slowed the mail down.

It does not in any way hinder any effort to make the post office more efficient and effective. It also--

COMER:  
--Madam Chair?

MALONEY:

I--I also funded the post office because it deserves to be funded. It's a--it's a national treasure. It's a national service. And I now recognize Mr. Mfume--

COMER:

--Madam Chair--

MALONEY:

For five minutes. Mr. Mfume?

MFUME:

(OFF-MIC)

MALONEY:

Mr. Mfume, would you turn on your mic, please?

MFUME:

Thank you, Madam Chair. Some of us represent dearly the people we represent, so in no way--and I want to assure members of this committee that this is some sort of hoax. We're here, Mr. DeJoy, as you might imagine, because we've been hearing from the people who hire us, people who live across this country in our districts. And so, for me, that's the people of Baltimore city, Baltimore County, and Howard County, Maryland, just like all of my colleagues have others, I'm sure, who've complained.

And I just want to keep this focused on the face of those people. These are senior citizens like you would like me. They've worked hard. They're at a point in their life where they depend, like they've always had--had depended on the mail. Some of them have high blood pressure. They wait for their medications. Other have heart trouble. They wait for their medications.

These are citizens, men and women, who put on a uniform in various wars and conflicts and represented us and rely daily on the mail for their checks, their VA checks, for their medicines. These are small business people, like you used to be and many of these members of the committee may have been, who watched of their small business compete now not being able to keep abreast of basic things that they rely on to come through the mail.

And then there are just average citizens, somebody who wants to pay a bill because they don't believe in the Internet and they believe in writing an old-fashioned check, and then they are told by the company that they're being charged now with a late fee because it didn't arrive on time. So, these are real, real stories. And when the mail slows down, it has disparate impact on communities, and a particularly on communities of color around this country.

These changes, Mr. DeJoy, I assume are changes that you have vetted, I'm talking about the ones you've implemented, with the board of governors. Is that correct?

DEJOY:

The change--the organizational change and the requirement to--with the--and the initiative to have the trucks leave on time were within my authority. But I had--so, I had discussed them prior to--

MFUME:

--Well, let me ask this. Major changes are required to have an advisory opinion, is that correct, before they're submitted to the board of governors?

DEJOY:

That is not the change like the--major change--there is some--some level of change, that is closing plants and so forth, we need to go to the PRC for--

MFUME:

--And do you have--do you have analytics to sort of justify the changes that you've made? And if so, could you provide them at a later date to this committee?

DEJOY:

We--I--I need to get back to you on that.

MFUME:

Okay. It's my understanding that the removal of mailboxes, whether it was 20 years ago, 30 years ago, or last week, require density studies. Is that still the case?

DEJOY:

I believe it is. And we've got--

MFUME:

--Could you--could you supply to this committee the density studies for the last three months? Because there's been an accelerated removal of boxes, and accelerated removal of sorting machines, 671, to which you said earlier you would not put back online.

And I'm--I'm--I'm not a conspiracy theorist, but I don't believe that Humpty Dumpty fell. I think he was pushed. And when I see these sort of things back up in such a way that we get your report, dated August 12th, that says, yes, there has been an 8 percent decrease in mail arriving on time, a 9 percent decrease in periodicals arriving on time, and a decrease in virtually all other classifications, it just makes some of us a little suspect. And I'm sure you would understand that.

Let me ask you, are you familiar with the expedited to street afternoon sorting program?

DEJOY:

I am.

MFUME:

It was introduced on 25th of July.

DEJOY:

Um-hmm.

MFUME:

It affects 1,200 ZIP Codes across the United States. Are you aware of that?

DEJOY:

I am aware that it affected a lot of ZIP Codes, yes.

MFUME:

DEJOY:

I'm aware of what the process was. And whether it was long-standing procedures, the--the intention of the--of the plan is to adjust for the decrease in mail volume and get back on schedule. And that was a pilot. It wasn't a change. It was a pilot program to make a--to marry up the delivery--the carrier delivery to--to--to homes and businesses with the schedule that--of incoming mail from--from the destinations.

MFUME:

Are--are you aware that the National Association of Letter Carriers filed an official grievance against that program?

DEJOY:

I--I am, but I will tell you, before that program--before that pilot went--went off, the--we checked the--we had a discussion with the union leadership and they were agree--amenable to--to rolling out the program.

MFUME:

And--and just before I yield back my time, sir, what would you say to those veterans, though senior citizens, those average Americans, and those small business people who have been disproportionately impacted in the last five or six weeks because of this slowdown?

DEJOY:

We--we are--we are concerned about every delivery that is--that is late, and we're working very, very hard to get back on track.

MFUME:

Thank you, Madam Chair.

MALONEY:



GROTHMAN:

Fine. Can you hear me now?

MALONEY:

Yes, we can hear you. We're not seeing you yet, Mr. Grothman. There you are.

GROTHMAN:

Oh.

MALONEY:

Okay.

GROTHMAN:

Sure. Okay. First of all, thank you for being here, Mr. DeJoy. Sorry. I think some of the questions have been unduly rude. But I--I--I'll throw the question here. What percent increase in regular mail deliveries do you anticipate because of the election this October, say, compared to last October?

DEJOY:

I'm sorry. I didn't hear the question.

GROTHMAN:

What percent increase in mail deliveries do you expect this October compared to last October because of the election?

DEJOY:

I--I think the election mail, if--will run--it's about--over the course of a month, about 2 percent of normal--normal mail.

GROTHMAN:

Think about a 2 percent upper. Could you compare that to other days or times, around Christmas, for example? Any other bumps?

DEJOY:

I--I think that the narrative goes like Mother's Day is higher, Christmas is--Christmas is--is higher. You know, we've just handled census mail. So, it is--it is not--it's not a lot of mail, but it is critical. I mean, there are cutoff dates. It's not a Mother's Day card. It's a ballot and it's important. So, we--we put extra effort to make sure that it gets there on time.

GROTHMAN:

Okay. But you don't consider it--say compared to how much mail you had maybe three years ago or the amount of mail--

DEJOY:

--No, it's--it's--

GROTHMAN:

--At Christmas. This is not an usual volume.

DEJOY:

--It's not a volume issue, sir. It's just that every ballot counts, so we want to get every one of them.

GROTHMAN:

Okay. I know here in Wisconsin, I assume nationwide, there's postage that comes with the absentee ballots. As a matter of fact, in Wisconsin, there's postage going out and postage coming back. Do you have plans to deal with the additional postage that you're going to get on the--on the--on the election?

DEJOY:

I--you--you broke up, but I think I--okay, I think I can guess at what you were trying to get at. We are not charging anything extra for anything. All our rates and classifications are--are

GROTHMAN:

--That--that wasn't the point. That wasn't the point. In Wisconsin--

DEJOY:

--Um-hmm--

GROTHMAN:

--the local unit of government that issues the absentee ballots pays to have the ballots sent out and actually puts a stamp on each ballot that's coming back. So, at least in Wisconsin, you should be getting more revenue in with the election. What do you plan on doing with the additional revenue you're getting in, or do you plan on doing something special at all?

DEJOY:

I don't know--I'm not understanding how we would get extra revenue. We--one way or another, we would have had a stamp on it going out and/or a stamp--

DEJOY:

--(INAUDIBLE) coming back. In any case, the revenue will come to--any revenue we get, if it was additional revenue, will go to cover our losses.

GROTHMAN:

I'm assuming that when you get additional revenue, you will like it went more Mail is being sent because you have fixed costs, you're even ahead of the game if you have more Valentine's Day cards or Christmas cards or, in this case, more absentee ballots or whatever.

DEJOY:

We love mail.

GROTHMAN:

Is that true? Right. So you should be happy. And are we happy? Okay, that should put it on--on firmer ground. You right now, have a I'm told about \$14 million--billion in the bank. Do you anticipate the election causing that to be run down at all or do you anticipate it going up? Will it have any dent on it?

DEJOY:

I don't think it will have too much of an impact in either way?

GROTHMAN:

Okay, so if you have \$14 billion in the bank now, you're still going to have \$14 billion on, as far as you know, on December 1st.

DEJOY:

It--it just depends. We lose--we'll probably lose \$10 or \$11 billion this year, so depending on how package volumes stays, we could have less cash. And if I--if I may, having \$14 billion and being we also have--I have \$12 billion worth of liabilities that need to be paid at some time over the next--next six months. We have \$135 billion of liabilities.

We are running 633,000 person organization that does not get funding--even though the federal government ends in September, they have an expectation of getting funding. We don't have an expectation of getting funding. So we have to dried crossed out and increase--increase revenue. And that's the big difference that we have than any other agency. So \$14 billion. It sounds like a lot of money. It's not a lot of money for what we do.

GROTHMAN:

Right, but you anticipate still having money in the bank after the election. That's the point I'm trying to make.

DEJOY:

We'll have--we'll have cash. Yes.

MALONEY:

The gentleman's time has expired. The gentleman's time has expired. The gentleman may answer the question.

GROTHMAN:

Thank you very much.

DEJOY:

We--we will we have--we have plenty of operating capital right now to get through November, yes, and handle the election.

GROTHMAN:

Thank--thank you very much.

MALONEY:

The gentleman yields back. Congresswoman Wasserman Schultz is now recognized.

WASSERMAN SCHULTZ:

Thank you, Madam Chair. Mr. DeJoy, the culture and ethos of the U.S. Postal Service is every piece every day. I've been in briefings with Florida's local Postal Service employees who are telling me that since your arrival, this is no longer the mission of USPS. Overtime to finish delivering mail is not allowed and piles upon piles of backlog mail are being left undelivered. Sorting machines are being sold for scrap or unplugged and roped off. My first question, is it still the policy and goal of the USPS to deliver every piece every day or have you illuminated or changed that in anyway?

DEJOY:

First of all, that is misrepresentation of any action that I have taken. But yes, the goal is to get--to deliver every piece every day. And man, we were not doing that before I got here. And my goal is to--

WASSERMAN SCHULTZ:

--Okay, well it's gotten--reclaiming my time, it has clearly gotten worse since your arrival. We have piles upon piles of mail that, as a result of the changes that you've made, appear to have delayed the

mail even further then supposedly they were delayed previously.

DEJOY:

Change.

WASSERMAN SCHULTZ:

No--

DEJOY:

--The change I've made.

WASSERMAN SCHULTZ:

Well, the changes that you've made.

DEJOY:

Change. I've made one change.

WASSERMAN SCHULTZ:

Well, I'm sorry. You've made far more than one change.

DEJOY:

That's not true.

WASSERMAN SCHULTZ:

Okay, reclaiming my time. You're not being honest with this committee.

DEJOY:

That's not true. I am being honest.

WASSERMAN SCHULTZ:

Okay. I would ask that the chair add time back and direct the witness not to interrupt me.

COMER:

Madam Chair--

WASSERMAN SCHULTZ:

--Mr.--Mr. DeJoy--

COMER:

--Let's allow the witness to answer--

WASSERMAN SCHULTZ:

--I'm sorry, reclaim--

COMER:

--The questions. That's a false accusation--

WASSERMAN SCHULTZ:

--Reclaiming my--reclaiming my time. I did not interrupt any other member while they were talking and I expect not to be interrupted. The time is mine. Mr. DeJoy, you are not being honest without--about--with the committee about removing the sorting machines. We have been asking you for details for weeks and you have been hiding them from us while removing them at a brick breakneck pace.

On August 4th, your staff gave this committee a briefing on this issue and all they told us was that you would be moving machines around to where they were needed most. We have the slides from that briefing. There was no mention of taking any sorting machines offline. On August 11th, your general counsel responded to our request for more information with no mention of taking any sorting machines offline.

Your culture of misinformation has even trickled down to Florida postal leaders leadership. On August 14th, my office asked whether sorting machines were being removed at the Royal Palm facility which covers all of South Florida and were assured the capacity with actually being expanded.

But it was only after I spoke with local postal workers that I was told about the FSS (SP) machine in Royal Palm, which had been shut down and roped off since July. Press outlets finally revealed the

You were not transparent. We had to get it from news reports. I want to take this opportunity to enter into the record, Madam Chair, and August 18th 2020 email from USPS Director of Maintenance Operations Kevin Couch. Madam Chair.

MALONEY:

Without objection.

WASSERMAN SCHULTZ:

The email reads, "Please message out to your respective maintenance managers tonight. They are not to reconnect reinstalled machines that had been previously been disconnected without approval from headquarters maintenance, no matter what direction they are getting from the plant manager."

Mr. DeJoy, yes or no, Andy you've indicated in this committee hearing that it's not your job to decide about whether sorting machines are on or offline, but at the same time, you told Mr. Khanna that you won't bring them online because they're not needed. So yes or no, had any plant managers requested mail sorting machines be reconnected?

DEJOY:

First of all--

WASSERMAN SCHULTZ:

--Yes or no--

DEJOY:

--I--I disagree with the premise--

WASSERMAN SCHULTZ:

--I'm not asking you anything other--

DEJOY:



--And I have (INAUDIBLE) all these things--

WASSERMAN SCHULTZ:

--Reclaiming my time, Madam Chair. Yes or no--

MALONEY:

--Reclaiming her time. Yes or no answer --

WASSERMAN SCHULTZ:

--Yes or no, have any plant managers across the country in the USPS requested mail sorting machines be reconnected?

DEJOY:

How would I--how would I know that?

WASSERMAN SCHULTZ:

You're in charge. You don't know whether there are--there are plant managers that have requested--well let me just--

DEJOY:

--No, I don't know--

WASSERMAN SCHULTZ:

--Let me just assure you that there are plant managers that was reported in the--in the press in--in both Washington--I--there are plant managers in Texas, in Washington, and I have articles That I can show you that have asked to have sorting machines reconnected and brought back online and they've been too scared to come forward to say so. So you--you've indicated that it's local leadership. In this hearing I heard you say it's not your job to decide whether sorting machines should be brought online or not--

UNKNOWN:

(INAUDIBLE)

WASSERMAN SCHULTZ:

Someone needs to mute, Madam Chair. Madam Chair, someone needs to mute.

MALONEY:

Please--please mute your--people that are listening, please mute.

WASSERMAN SCHULTZ:

I probably I need probably about additional 30 seconds from the interruptions added back onto my time, please. You have said in this hearing it both not your job to make decisions about sorting machines and at the same time you've said that you're not going to bring them back online because they're not needed. It can't be both.

So my local my local bar--bar code, my local handlers who work with sorting machines regularly, and this specific barcode sorter machine had assured me that it would not be difficult to plug it back in. How difficult would it be to reconnect machines that haven't already been destroyed?

For example, on display, if we can bring that up on the screen, I was sent a photo from a processing and distribution center in Florida where the power cord is hanging from the ceiling and not plugged in. And my local handlers tell me that the sorting machines regularly and that hand--that specific machine, specifically that it would not be difficult to plug back in.

Do you believe that it is the local handlers job to decide whether they need a sorting machine and will you give them the freedom to plug the machines back in and bring machines that haven't been taken apart back online in order to make sure we can get the Mail out on time? Which you acknowledge has gotten worse since your arrival?

MALONEY:

The gentlewoman's time has expired, but the gentleman is requested to answer her question.

DEJOY:

That was a long list of accusations--

MALONEY:

--No, I just want a simple answer to the questions about whether you know--  
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DEJOY:

Well, it's my time now. Is it my time yet?

WASSERMAN SCHULTZ:

No, no. It's always my time and I'd like an answer to the question--

COMER:

--Her time has expired--

WASSERMAN SCHULTZ:

--I'm sorry, I'd like an answer to the question whether or not you will leave it--

DEJOY:

--We--we have a management team that--the management team that is responsible for making decisions as to what--what--what machines are used and not used.

WASSERMAN SCHULTZ:

But those things are decided locally--

MALONEY:

--The gentlewoman's time has expired--

COMER:

--Her time has expired--

WASSERMAN SCHULTZ:

--Will you let them decide that locally--

MALONEY:

--The gentlewoman's time has expired. The gentlewoman's time is expired--  
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COMER:

--Time has expired--

WASSERMAN SCHULTZ:

--Yes or no, will you let them decide that locally--

COMER:

--Time has expired--

DEJOY:

--No--

MALONEY:

--Congressman Higgins, you are now recognized--

WASSERMAN SCHULTZ:

--Okay, well then you have you have not told us the truth in this hearing and it is your fault--

COMER:

--Her time has expired--

WASSERMAN SCHULTZ:

--That mail has been late--

MALONEY:

--The time has expired--

COMER:

--Madam Chairman, her time has expired--

WASSERMAN SCHULTZ:

--Your fault--

COMER:

--Her time is expired--

WASSERMAN SCHULTZ:

--It's on you and you've acknowledged that--

COMER:

--Her time is expired--

MALONEY:

--(INAUDIBLE) response in writing. Okay. Congressman Higgins, you are now recognized.

HIGGINS:

Thank you, Madam Chair. That was quite a debacle. This is--this is exactly--this hearing right here is exactly why America does not trust Congress. Our cities are on fire. Violent mobs roam our streets at night. The Chinese have crushed the American economy with a virus and Democrats are talking about a mailbox conspiracy. Postmaster General DeJoy are you aware of any evidence whatsoever that supports a mail delivery conspiracy?

DEJOY:

No, sir.

HIGGINS:

Would you repeat that, sir?

DEJOY:

No, sir.

HIGGINS:

The question as answered America needs to hear are you aware of any evidence whatsoever of some kind of a mailbox or mail delivery conspiracy?

DEJOY:

I am not, sir.

HIGGINS:

Postmaster General thank you for being here today. Let me ask you, are you here on subpoena or voluntarily?

DEJOY:

I am here voluntarily.

HIGGINS:

Well, you are a better man than me because you are sitting attempt after attempt by my colleagues across the aisle to assassinate your character and might I suggest to you sir as a--as an American patriot and a constitutionalist if I was you I wouldn't appear before this committee without a subpoena in the future.

Congratulations on your character for being here voluntarily to submit your cell to this harassment. During the course of your live time sir I will be 59 today I cannot remember a time when the Postal Service was not in some sort of financial trouble. Do you recall any time, sir? Some sort of an era that I am not recalling that the Postal Service was totally squared away, operating within budget and was never--was never in financial trouble?

DEJOY:

I think in the late 90s and early 2000 few years it was--it was covering its cost and happy birthday, sir.

HIGGINS:

Thank you, sir that is very kind of you. I recall these same. Out of the last--out of the last 40, 50 years there's only been a couple of years where there was anything that could be described as financial stability in the Postal Service. I mean dedicated men and women but the fact is that (INAUDIBLE) are legendary within the Postal Service so let me just ask you postmaster why did you accept this job? Tell America why you took this job.

DEJOY:

Sir, I have certain experience--certain experiences in my life businesswise with large projects and large logistical--

HIGGINS:

Well, we know that you are qualified, sir, I get that. America needs to hear from your heart why did you accept this job, this incredible burden to serve your government and your nation in this way what was your purpose?

DEJOY:

I have been active in my community and the country and most of my adult life and this is something that was ask of me to participate in that I think I can help and fix and lead to a better place and that is why I took it.

HIGGINS:

Well, from--from this American and from my constituents thank you, thank you, Sir, for taking on this burden and this task. You know one would think that perhaps next week the oversight committee will have a hearing suggesting that smoking cigarettes could cause cancer. Who did not know in America that the Postal Service is constantly going through modernization efforts, attempts to become more efficient, struggles to be calm solvent into the future. You handle a lot of mail do you not? I have one question in closing sir.

My understanding is you have about 471 million pieces of mail a day. Can you handle the mail of the election cycle given the fact that about 150 million Americans are registered to vote and your--your average mail delivery is 471 million a day, can you handle the mail delivery for the election cycle good sir?

DEJOY:

The whole organization is committed to delivering election mail and we will do it.

HIGGINS:

Roger that. Thank you sir. Thank you for appearing before us today. Apologize on behalf of America for the way that you have been treated by my colleagues across the aisle. Madam Chair, I yield back.

MALONEY:

The gentleman yields back. Congressman Sarbanes you are now recognized.

SARBANES:

(INAUDIBLE) thank you postmaster for being here with us today. I will be candid I don't trust you right now. I don't know whether it's I don't trust your judgment or I don't trust your motives. If you think you could implement the changes you did without having the negative impact that we have seen then I worry about your judgment and if you did understand what that impact would be then I'm concerned about your motives but you got an opportunity here today to demonstrate to us that your judgment is sound and that your motives are peer.

You are a businessman, we have heard a lot about that today. You are an expert apparently in supply chain management which requires a lot of planning, specifics, details all kinds of minutia, correct?

DEJOY:

Yes, sir.

SARBANES:

On Friday when you were in the Senate you said quote as we head into the election season I want to ensure that the committee and the American public that the Postal Service is fully capable and committed to delivering the nations election mail securely and on time. This sacred duty is my number one priority between now and election day. Is that what you said?

DEJOY:



SARBANES:

And you said it again today the idea of getting the mail to people securely and on time. I have to tell you I am very concerned about the issue of what is going to happen with the mail ballots, we have heard that from others today. We have a president freely admitting that he is opposed to USPS funding because he is hoping that they hobbled Postal Service will be able to handle mail balance and your own general counsel has warned of 46 states that mail in ballots may not be delivered on time.

Traditionally as you know the Postal Service is always prioritized sorting election mail separately and pushing it out as fast as possible including daily sweeps of mail facilities for any election mail otherwise missed in process. Yet the states and localities that have been left wondering if this is no longer the case and what the presidents continued broadsides against mail-in ballots will mean in practice for those efforts.

On Friday again to the Senate colleagues of errors you said first class or better treatment of election mail would not change. Quoting you in response to Senator Peters you said yes, sir, we will deploy processes and procedures that advance in the election mail in some cases ahead of first class mail.

Now I will note that on the website bears an FAQ to election officials that says they should use first-class mail or a higher level of service for election mail using USPS marketing mail service will result in slower delivery times and may increase the risk that voters will not receive their ballots in time to return them by mail so you are saying that the post office is going to handle this on a first-class basis with the same the FAQ is telling election officials that they should take responsibility for otherwise the marketing mail service will come in more slowly so we have heard about your commitment to our seven colleagues you cited again today but to be honest Mr. Postmaster General we need something in writing that would be very helpful a defect detailed accounting of how exactly were going to execute on your promises, you are a said specialist in logistics so we want to know what are you doing at USPS to make good on these words.

How is USPS designing its interface with states and localities with election mail vendors and others to ensure that ballots get priority treatment?

We need written policies and directives not just words. I assume you know that USPS has long offered memorandums of policy to ensure the systemwide execution of key policies and procedures. I was

looking at a bunch of these last night and in that vein I am asking can you commit today to the immediate issuance of a formal USPS policy in writing that will guarantee all delivery of election mail is treated as first-class or better for the 2020 channel election can you do that for us?

DEJOY:

I don't--our processes to do that physically I will have to get back to you one what I can give you in writing on that.

SARBANES:

We would like to see that in the form of a memorandum so we can verify the commitment that you are making. (INAUDIBLE).

DEJOY:

First-class mail is a classification of the mail and then we are talking about a physical process so we could advance mail in front of first-class but still not call it first-class mail.

SARBANES:

I am just saying I'm just asking to see in writing a memorandum on this that the post office in the public and we can get some confidence from peer the other thing is we have talked and I'm running out of time but we talked about your ability to issue these reports.

Could you commit as well today that you will give us some data, specific updates on how the efforts regarding the mail ballots are going and do that on a periodic basis, weekly perhaps? That would be very, very helpful. Could you do that?

DEJOY:

Yeah, what I will do sir is I will commit to give the committee an update on the improvement of these service let's say next Monday where we stand on the service and I need to check if we can get down to the individual ballot level. I will see what we can do there.

SARBANES:

That would be very helpful. I appreciate it. That will help demonstrate that you take this sacred duty seriously.

DEJOY:

If I--if I can just add the letters that went out to the state was not a warning or was--was not a--an indication that we would--slowing these down. It was trying to educate the state--state govern--election officials on what the process was. This is been done in--years in past. With the pandemic, we--we increased the content because we knew the vote by mail would be--be higher.

It's really--we have reached out to over--we have made 50,000 contacts with state and local officials in our regional areas and through--through headquarters to try and integrate their processes with our processes so we would have a--a--a safe and secure election.

MALONEY:

Thank you. The gentlemen's time is expired. Congressman Gibbs, you are now recognized.  
Congressman Gibbs?

GIBBS:

Thank you, Madam Chair. Mr. DeJoy, I've got to apologize to you, some of the behavior. Can you hear me because my thing went--

DEJOY:

--Yeah.

MALONEY:

We can hear you and we can see you.

GIBBS:

Oh, okay, because--okay.

MALONEY:

--Um-hmm.

GIBBS:

There's a loss. Okay. Postmaster general, I want to apologize for some of the treatment you had today. You know, obviously by what I was hearing, you don't really need this job. You didn't really need to take this job. And I'm not going to ask you directly if you did need to take this job.

But I'm assuming you didn't need to take this job, just like most people in the Trump administration, including the president, didn't need to take this job, but they did for the love of country and they want to make this country better and help people. And I think you fall into that category, so I'm going to apologize for some of the statements made today that were very disturbing to me. And you're just trying to do your job.

When you were hired to do this job by the board of governors, Mr. DeJoy, did you ever have any discussions with the president from--on--on what to do to the post office or what you--what you should do, or was it just the support letters?

DEJOY:

I--I never spoke with--with the president about the Postal Service prior to getting--getting the position, and I have not spoken to him about anything regarding the Postal Service since.

GIBBS:

So, you were brought in--so, you were brought in to do this job, to help be more cost efficient, make changes, so obviously the Postal Service (INAUDIBLE) to do their job and--and--and get--get out of the red. And so, you--you're--you know, you're doing your job and now they come after you, attacking you for doing your job.

Now, we've seen--I think we all are in agreement that first-class mail has dropped considerably, but packages, or third-class or however you categorize it, has increased significantly. And that's one of the reasons why it you're making some changes, for efficiency, cost efficiencies.

And we've had a lot of discussion about the--the sorting machines. Now, is it true to say that the--for what the mail volume is, even with the additional census and the additional ballots that, you know, Christmas is higher mail time than anything else, there's still going to be enough sorting machines to do this and--and--and you're also going to be able to move the packages by making the changes you're making? Is that a true statement?

DEJOY:

Yeah, we--we should--we will have plenty of sorting capacity.

GIBBS:

Okay. Some of the other delays, COVID-19, what--the absenteeism rate in the Postal Service, I saw there was an article here a couple months ago about the Postal Service took a very liberal policy about making sure that people don't come to work if they're--have a temperature, obviously.

That's--probably made a lot of good common sense. Are--are we having trouble filling on a day-to-day basis--getting drivers and mailmen, getting--or, you know, a--a lot of shortages of--of personnel, or what's the--

DEJOY:

--Yeah--

GIBBS:

--What's the situation with that?

DEJOY:

Across the country, our employee availability is down three--3 percent to 4 percent on average across the country. But the issue isn't some of the hotspots in--in the country, areas like Philadelphia, Detroit, and there's probably 20. The averages cover that, and they're down. They could be down 20--you know, 20 percent, and that's given us--that is contributing to the delivery problem that we're having.

GIBBS:

Yeah. I--you got challenges, I--and just wanted to make that point.

You know, I believe the vast majority of our postal workers are honest public servants. And the Office of Special Counsel is found in many instances there's political bias. Back in the--in the 2017 report--back in the 2016 campaign, they were biased towards Hillary Clinton. Considering the substantial

increase in mail in ballots this November, what steps do you think the post office take--can ensure that political bias does not factor into the delivery of ballots that folks see from that report?

DEJOY:

I think--I have not re--reviewed the report, but I--I have full confidence in the 650,000 men and women of the Postal Service that they will handle election mail safe and securely. Like the rest of the country, there are--there are individuals that do things they shouldn't, and we--yeah, we--we have an inspection service and management team that look for that kind of stuff. But I have full faith that we'll--we will deliver on--on a safe and secure election.

GIBBS:

Well, I appreciate--I appreciate that. I appreciate that. Some of the challenges you have for states, I know here in Ohio in the primary election that people could request ballots to be mailed out to them on the Saturday before the Tuesday election. And--and I--I think that is a real challenge, but I think a lot of states do that. So, what's the post office doing to--to try to make sure--or working with states to--so people realize that if you request your ballot, you know, on the weekend before Tuesday, the election, there might be a challenge of getting the ballot?

MALONEY:

(OFF-MIC) expired. The gentleman may answer his question.

DEJOY:

I--I think he asked--I couldn't hear. It was breaking up. But with regard to the--the--and that's one of the reasons that we are working with the--with the state election officials, to--to--to make sure and to educate the--the public. We will be sending a letter out to every American, again, with--you know, describing our participation in the electoral--election process and, again, requesting the--request their ballot early and to vote early.

But when it gets down to those last--those last days, that last day, we will have various procedures, sweep procedures, expedited--I mean, I've heard stories of postal managers running ballots over to the election board. So, we're going to do everything we can to make sure every ballot gets where it needs to be.

MALONEY:

Thank you. Congressman Welch--

GIBBS:

--I'm sure. Thank you. That--that is something--

MALONEY:

--You are now recognized. Congressman Welch?

GIBBS:

--(INAUDIBLE) the mail.

WELCH:

Thank you very much. And I want to thank Postmaster General DeJoy and I want to thank the chairman of the board, Mr. Duncan, for your patient answering of our questions.

As both of you know, it was President Nixon in 1970 who signed a very major postal reform bill to guarantee the independence of the post office. And on the Postal Service website, its history speaks about that bill is something that was to "remove the Postal Service from politics." And I assume that both of you agree that that is an essential mission of the post office.

DEJOY:

Yes, sir.

WELCH:

Mr. DeJoy, I'll ask you--all right. And Mr. DeJoy, I--I have asked for a document labeled DeJoy political donations chart to be presented. And I'd ask a--I want to ask a few questions about that.

Mr. DeJoy, I mean, obviously you have the right to make political donations within the law, and I have a dispute with that. But I do want to go through them because of these questions are being raised. According to the Federal Election Commission records, since 2016 you've donated 300--\$3.2 million to Republican candidates and committees. Does that sound right?

DEJOY:

Sounds about right, yep.

WELCH:

Yeah. And the Republican National Committee was the beneficiary of \$1.3 million in contributions, correct?

DEJOY:

Yes, I am a Republican, sir.

WELCH:

Right. And you contributed \$1.2 million to President Trump's Trump Victory Fund, correct?

DEJOY:

I would need(PH) to check that, but it sounds about right.

WELCH:

Okay. And my understanding is that in May of 2019, you were announced as the chairman of the Republican National Convention fundraising committee for the convention that was--was to take place in Charlotte. Is that correct?

DEJOY:

Yes, that is a not-for-profit foundation that--I was selected by the Charlotte host committee, which is a--usually a--bipartisan in conventions for the city.

WELCH:

Right. And that you--and it's--you stayed on that position until June 12th, 2020, shortly before you took over officially as the Postmaster General, correct?

DEJOY:

I did, sir.



WELCH:

Right. And in June of--from January--sorry, April of this year in the run-up before you were selected as Postmaster General, you provided 18 contributions in the amount of about \$650,000 to various Republican committees, correct?

DEJOY:

You seem to have something in front of you. I don't know what you're looking at. But I give a--

DEJOY:

(INAUDIBLE) money--you know, let's--let's go for the record. I give a lot of money to the Republicans.

WELCH:

Right. And let me just ask an obvious question. You obviously support the Republicans. That's obvious. Totally within your right. You're a big supporter of President Trump. Totally within your right. How do you square being a major supporter of the president and Republican committees and other members with the independence required of the postmaster general? Can you really do both?

DEJOY:

Absolutely, sir.

WELCH:

Well, you're aware of the fact, of course, that president trump has made very hostile statements about the Postal Service. He called the Postal Service a joke. I assume you disagree with that.

DEJOY:

I do, sir.

WELCH:

And he has also vehemently and repeatedly attacked mail in voting saying, and I'll quote, "Mail in ballots will lead to massive electoral fraud in our 2020 election. Do you agree with that?"

DEJOY:

I--I'm in charge of delivering ballots. I don't really want to comment on what--that's not my responsibility elect--electorial.

WELCH:

It--it--

DEJOY:

--I'll leave that to the states--

WELCH:

--It's not, but there--would you--is it your view that if there is fraud it will have nothing to do with the United States Postal Service?

DEJOY:

It is my view then there--if there is mass--I mean if there is fraud, it will--it's our intent not to have any fraud with--through with the United States Postal Service. Yes.

WELCH:

But--but if the Mail is not delivered on time and Republicans and Democrats who do vote by mail do not have a timely delivery of that ballot to their town clerks, that will in fact result in them being disenfranchised. Is that not correct?

DEJOY:

The mail will be delivered on time, sir.

WELCH:

Well, we've heard that you have made significant reforms to try to improve Postal Service, but it's resulted in significant delays and those delays coincided, of course, with the run up to the election. We've heard--and you've apologized for that. It's not just the postal boxes, the blue boxes and the mail

sorting machines, but you heard from Congressman Cooper that the requirement about trucks leaving in certain time--

MALONEY:

--The gentleman's time has expired. The gentleman's time has expired but the gentleman may answer the question.

DEJOY:

Thank--thank you--thank you, congressman. Again, I will repeat. I had nothing to do with the--with the collection boxes, the sorting machines, the postal--post office hours or limiting overtime. The change I made was asked the team to run the trucks, transportation on time and mitigate extra trips based on our review of an IG--OIG audit that was absolutely astonishing in the amount of money we were spending--spending and the number of late trips an extra trips we were--were running.

It was a plan that was rolled out with operations and it wasn't very, very important aspect of the network. It's the--it's a very--people ask what--why--why do trucks matter, why do on time trucks matter. They do matter. They're--it's a fundamental premise of how the whole mail network is put together. If the--of the trucks don't run on time, the mail carriers can't leave on time. They are out there at night, they--they have to come back and get more mail. Collection processes are late, plant processes are distorted.

I see several billion dollars in potential savings in--in getting the system to--to connect properly and that's why we ran out and put a plan together to to really get this fundamental, basic principles. Run your trucks on time. I find it really, you know, I would not--I would not know how to reverse that now. Am I to say don't run the trucks on time? Is that the answer that we're looking to get me to say here today?

WELCH:

And I think the question was how do we (INAUDIBLE)--

MALONEY:

--Listen, your--the gentleman's time has expired--

COMER:

--The time has expired--

MALONEY:

--Now we recognize our Congressman Keller. You are now recognized.

KELLER:

Thank you, Madam Chair. And I would like to thank the Postmaster General DeJoy for being here today.

On July 29th, 2020, that USPS general counsel sent a follow up letter from May to 46 states including Pennsylvania expressing concern that the states deadlines for requesting and casting ballots by Mail do not fit with the Postal services delivery standards. Mr. DeJoy, can you confirm that these letters and outreach to state election offices is something USPS has done in the past under previous postmasters general?

DEJOY:

Yes. This has been this--this has been done in the past. I looked at a letter a couple about a week ago that was sent out, you know, before the '16 election also. But we--we have intensified the effort to work with the election boards and to communicate with the election boards to help them gain more knowledge on what our process is. And it's really been amazing to me in this experience how many people don't--in high places don't really understand what a post, you know, how we use a postmark.

KELLER:

Well I--I think--yeah, I--I would agree with that. Also, the Democrats have been making a lot of noise about these letters your general counsel sent the state election boards. I'd like to clear this up. In the letters to the states, does the USPS say that they will not deliver ballots this November?

DEJOY:

No, sir.

KELLER:

Do they say that--did the letters state that the USPS will not or cannot process ballots this November?

DEJOY:

No, sir. It doesn't.

KELLER:

Do they say that the voters should not vote by--vote by mail?

DEJOY:

No, Sir. It doesn't.

KELLER:

Okay. Specifically, the letter recommends that votes are--voter's mail--people voting by mail should complete their ballots no later than--complete and submit their ballots no later than October 27th to comply with Pennsylvania--or to comply. Pennsylvania would need to change current law, which allows voters to request a ballot as late as Tuesday, October 27th to ensure that the USPS can deliver completed ballots in time to be counted by Election Day on Tuesday November 3rd. 2020 by 8:00 p.m. as is required under Pennsylvania law.

Do you agree that Pennsylvania should move the application deadline for mail and absentee ballots back, for example, on or around October 19th to request the ballot in order to ensure voters can receive the ballots in time and complete them and return them no later than Tuesday October 27th as recommended by the Postal Service--or the Postal Service is general counsel?

DEJOY:

It's--I didn't catch all of the details--

KELLER:

--Well basically, let--

DEJOY:

--It would be best--it would be best if the--if the state elect--election boards followed the recommendations about general counsel to ensure that every ballot--we're still going to do everything that we need to do, but I don't know why we would want to put this in conflict. It's very important process and the democracy and I don't know why we should have--take any chance other than have a properly integrated system between the election boards and the Postal Service, and that's all the general counsel and the team that supports him is trying to do. Make people aware. Why would we want to put more risk in the system than is necessary?

KELLER:

Well, Pennsylvania law states that the, you know, the ballots or to be received by November 3rd by 8:00 p.m. Anybody that's reasonable--I mean, I'm 55 years old and I've used the Postal Service for the past 37 years to deliver my mail, to pay my bills, to do everything and I don't wait till the day the bill is due to mail a check. I mail it in enough time knowing that it's only reasonable that I have to walk to the--to the mailbox.

I have to put it in the mailbox. Somebody has to come collect it here it has to be put in a car or on a plane and taken to another place to be processed and delivered. It's only reasonable that states should take that into account when they set up their laws. So I wanted to keep moving on because there's another point I would like to get to, also.

Governor Tom Wolf recently announced that Pennsylvania will cover the cost of postage for every mail in ballot this year. The United States Postal Service Handbook for area mail processing guidelines states that postmarks are not required for mailings bearing a pre-canceled stamp for postage. In other words, envelopes with prepaid postage that Pennsylvania send with the ballots to be returned, will they be postmarked?

DEJOY:

We're going to work to try and set up a process to postmark as much as--as much as we can.

KELLER:

With the current--currently it's a process that is it currently--

DEJOY:

--Prepaid--prepaid postage does not get--processes that prepaid postage does not get postmarked.

KELLER:

So it could, if nothing were to change, which the chairwoman's bill said you can't change anything, so if nothing were to change, you wouldn't be able to postmark those--those letters?

DEJOY:

Yeah, if we if we didn't make a special effort to postmark prepaid mail, we would not be post marking. Now, we have certain other--other ways of identifying election mail, which (INAUDIBLE) how we have done in the past to try and postmark things but they are not seamless efforts.

KELLER:

You would have to make some adjustments to be able to make sure that secure?

DEJOY:

Yes, sir.

KELLER:

I would sincerely hope that the chairwoman of this committee would have thought of that and that would have been the value of having this searing before she introduced a bill saying you can't make any changes because you are trying to do things to make sure that the items you handle are done in time so I do appreciate that. They one thing, postmaster general can you guarantee that you will deliver every ballot to the people when they request them and every ballot when it is returned?

DEJOY:

We--I guarantee we will use every effort 650,000 people that work at the organization to fulfill that obligation.

KELLER:

Thank you, but you won't change anything in this election that you've done previously?

MALONEY:

The gentlemen's time has expired.

KELLER:

Thank you.

MALONEY:

The gentlemen can answer the question.

DEJOY:

I think I did.

MALONEY:

Congresswoman Speier is recognized. You are now recognize.

SPEIER:

Thank you Madam Chair. I have two documents I would like to submit for the record, one from the Postal Service on their reorganization and one from citizens for responsibility and ethics in Washington.

MALONEY:

Without objection.

SPEIER:

Thank you. Mr. DeJoy thank you so much for being here today. You have answered some questions about your contributions to the President. You also contributed \$586,000 to attend a dinner for him in February of this year. Is that correct?

DEJOY:

I don't think so, no.



SPEIER:

Well, there's records that showed you did. Your wife has also been nominated to be the ambassador to Canada. Is that correct?

DEJOY:

She is, yes.

SPEIER:

All right. Mr. Duncan? Wherever you are.

DUNCAN:

Yes.

SPEIER:

Mr. Duncan you have also been active in President Trump's campaign and as the director of American crossroads super pack is that correct?

DUNCAN:

I am the director of American crossroads super pack, yes.

SPEIER:

And you have contributed over \$1.9 million to President Trump's campaign?

That is not--not you personally but the pack?

DUNCAN:

I would have--I don't know the answer to--

SPEIER:

The records show that. So you are both invested in making sure that the president gets reelected. Is that correct?

DEJOY:

I am not here to talk about the president's election. I am here to talk about Postal Service issues.

SPEIER:

Okay. Mr. Duncan how much did the Postal Service pay Russell Reynolds to be the company look for a replacement?

DUNCAN:

I don't have that number, be happy to try to provide it for you.

SPEIER:

All right. In your own testimony you said they started with 212, they then vetted 50 and they got down to the first-round interviews and there were 14 but Mr. DeJoy was not one of them so we paid this company to do a national search for the replacement for the USPS Postmaster General, he was not in that group but Mr. Barker(SP) said well, we have another candidate did you recommend Mr. DeJoy as a candidate?

DUNCAN:

Let me go back on your premise setting wasn't include we were still taking recommendations at that point in time before the first interview process had gone--

SPEIER:

All right. Mr. Duncan just answer the question. Did you recommend Mr. DeJoy as a candidate?

DUNCAN:

I gave Mr. DeJoy's name as a candidate as I did with other candidates, I submitted it through the process.

SPEIER:

All right, but he was not part of what was provided to you by the search firm. Let's move on. Mr.--the President has been very critical of Amazon and the contract they have with the Postal Service Mr.

DEJOY:

I have not reviewed the contract specifically in any detail, no.

SPEIER:

Well, but you did offer some testimony I believe in the Senate that suggested that you had in fact reviewed it and that you thought that the rates were--

DEJOY:

The question was a about rates contract--contract so thick we--we--I am studying the rate building process of the Postal Service on the NSA's. That is what I--

SPEIER:

So you did look at Amazons rates?

DEJOY:

I did look at Amazons rates, yes.

SPEIER:

All right. On your statement of finance--

DEJOY:

As long as hundreds of other--

SPEIER:

I understand. In your statement of financial disclosure you sold your Amazon stock on June 22 I believe and then you purchased options on Amazon on June 24. That would suggest to almost anyone that there is a conflict of interest. It doesn't require that you make a decision, it only requires that you participate. Did you check with the government office of ethics to see if that was appropriate?

DEJOY:

The--before I went into any Postal Service you file your forms the day you arrive at work. I filed my forms. I was going to a meeting on Amazon, I owned stock someplace in a call at Morgan Stanley and they told me I had to either recuse myself from reviewing a number of contracts or sell the stock. I called our broker to sell the stock. We actually had calls--

SPEIER:

Mr. DeJoy I'm going to have to--

DEJOY:

But I did not buy options. I actually bought calls--covered calls--

SPEIER:

It is on your statement.

DEJOY:

I bought covered calls back and at a loss. That is what I did to get it completely out of the stock I had to unwind covered calls.

SPEIER:

You still have those calls do you not?

DEJOY:

No, I had to pay more money for the calls than I sold them for. I think you should get an understanding of what a covered call is before you accuse me of any improprieties.

SPEIER:

All right. I think let me just ask one last question. Have you removed any machines that automate the post marking process?

DEJOY:

I have not removed any machines.

MALONEY:

The gentlewoman's time has expired. The gentlemen may answer.

DEJOY:

I have not I will repeat it again for the hundredth time I have not removed any machines.

SPEIER:

That is separate from these sorting machines.

MALONEY:

Congresswoman Miller (INAUDIBLE)--

DEJOY:

In the machine I will repeat I have not removed any machines.

MALONEY:

Congresswoman Miller you are now recognized.

MILLER:

Thank you Madam Chair. Can you hear me?

MALONEY:

Yes, we can.

MILLER:

Okay and thank you Ranking Member Comer and a special thank you to our esteemed guest today for taking the time to participate in the so-called hearing. Postmaster General DeJoy and Chairman Duncan my constituents in rural West Virginia rely on the Postal Service to receive their essential prescriptions, their mail, and packages.

Thank you for your continued pandemic to ensure that these critical services continue. In a year that is riddled with conspiracy theories such as baseless claims of Russian collusion we are wasting another hearing opportunity to attack our duly elected President over the most blatant and verifiably false claim that Republicans are destroying the United States Postal Service.

This couldn't be further than the truth. Everyone knows that the personal service needs a serious overhaul but (INAUDIBLE) our Postal Service without instituting any necessary reforms is not the answer. Democrats here today are doing a great disservice to our postal workers and undermining American confidence in our electoral process.

The Postmaster General has said repeatedly that the USPS will have no difficulty delivering balance but my colleagues across the aisle place the blame on the Postal Service instead of their own states incompetence to properly hold their own elections.

The USPS can handle the absentee and mail-in ballots from the 2020 election and has enough money to remain solvent well into next year giving the Postmaster General and Congress time to work on a solution to put the USPS back on a sustainable path.

While all of us here today recognize that the Postal Service is an essential duty of the federal government there seems to be only one party that is serious about making sure that it works effectively for the American people.

Postmaster DeJoy on average how many pieces of mail does the United States Postal Service deliver in a day?

DEJOY:

About 451 million pieces ma'am.

MILLER:

Thank you. If every single eligible voting age American voted by mail in a single day of about 153 million or so, would that the United States Postal Service be able to ensure that these pieces of mail were delivered?

DEJOY:

I--I think we have adequate capacity to handle the mail--the--the election, yes.

MILLER:

And you would be able to do this without significant impact to your normal day to day operations?

DEJOY:

You are asking me one day I have not done that analysis but the way ballots flow throughout the week. We would--we handle it--we would handle it very easily.

MILLER:

Thank you. However, you cannot control what deadlines states set in terms of requesting and returning ballots or how long it takes for these election boards to count the ballots to call a race. Isn't that correct?

DEJOY:

Yes, ma'am.

MILLER:

We saw huge delays and election results in New York, as I'm sure the chair is well aware. The core issue, why you're here today, Mr. Postmaster General, is to ensure that every American has the right to vote fully protected. What is becoming abundantly clear is that the Trump administration, Republicans in Congress, and the USPS are not obstacles to that right. Rather, you are helping to ensure voting access despite incompetence and partisanship on the part of a great many state election officials across the country.

Last week, a scathing analysis by NPR found that at least 550,000 mail-in ballots were rejected in the presidential primary elections earlier this year. Of those, nearly half of those rejected ballots came from New York, New Jersey, and California where there isn't a single Republican in statewide office. This November, we must ensure that all Americans can and should be able to vote safely in person at their local polling locations. And those that do need absentee ballots can and should be able to vote securely through the USPS as they have in past elections.

I hope my colleagues and our counterparts at the state level heed the recommendation of the USPS on how to execute this undertaking free from politics and partisanship. I yield back my time.

MALONEY:

The gentlelady yields back. I now recognize Congresswoman Kelly. You are now recognized.

KELLY:

Thank you, Madam Chair. I've been on this committee for over seven years, five years in the minority. The hypocrisy around how witnesses are treated and around the post office is astounding. Thank you for being here, Mr. DeJoy.

Small businesses are a vital part of the United States economy. They represent nearly 75 percent of all employers and account for 44 percent of all economic activity. Small businesses, many without significant savings or access to credit, have relied on the Postal Service to stay afloat during this pandemic. The Postal Service plays an important role, as you know, in enabling their growth and commercial success.

Last Friday, you testified before the Senate committee, and I quote, "You feel bad about the dip in our service." Well, there are a few businesses that feel pretty bad too. Cassidy Lavender (SP), a Louisiana business owner, was forced to abandon the Postal Service after losing nearly \$10,000 due to shipping delays. Beth Nolan (SP), a Michigan business owner, had to fire an employee to recoup the cost spent making up for her delivery delays.

A 2013 OIG report found that small businesses are a key customer segment for the Postal Service, generating more than \$9 billion in annual revenue. Before implementing the numerous operational changes discussed here today, were there any analysis performed on the impact such changes would have on these key customer--on this key customer segment?

DEJOY:

There--there was--there was not numerous operational changes. There was one re--request, that we adhere to our transportation schedule. And there--the--I--I did not perform any operational analysis myself, but we had a team looking at how we would plan to roll out the change. That team was across the whole country, an existing team, not a new team. And I'm unaware--I'm--I don't know how much analysis we would need to do to comply with our schedules that were already established.

KELLY:



Thank you. It seems decisions were made without taking into account the real world impacts. A beauty salon in my district has not received mail for a week to 10 days. The owner is concerned about bills that might be delivered late, which can have a terrible impact on their business. Another person I spoke to said she received her--she receives her mail now every other day and still hasn't received a check she's relying on.

When I went to the post office myself to mail a package, the postal workers there said we know who you are and we just want to apologize, but we're just doing what were told. I didn't get those phone calls when President Obama was the president. Will you commit here today to reversing any policy or practice that has the effect of slowing down mail and package delivery?

I represent the Chicagoland area, and I'm hearing from postal people themselves. And they want you to address the lack of staffing and late start times, which they feel has greatly impacted the delivery of the mail.

DEJOY:

Ma'am, we're very concerned about every delayed package or piece of mail, and we're also very interested in--in--in fostering the support of small--small business. What I can tell you is we're working feverish--very hard to get the standards back to where they were be--before. The--the--there are a variety of issues that are contributing to this, not just the requiring the trucks to leave on time. But we are working across the country to improve service.

KELLY:

My district is urban, suburban, and rural. I--you know, my colleagues have asked for something in writing, and I would support that, that we need to see something in writing, not just promises.

An estimated 14.5 million rural Americans who lack access to reliable Internet rely on the Postal Service to meet their basic needs, including receiving life-saving medications, collecting paychecks, and paying their bills. It is important that rural Americans have access to reliable and affordable delivery services, or are they too inefficient to service? Since we talk about we're trying to be a efficient, are they just forgotten about?

DEJOY:

No, ma'am, they're not forgotten about. We are working to--to--to deliver to every American on a timely basis.

KELLY:

Well, your chase for operational efficiency has been at the expense of hard-working Americans, and I hope you will take these concerns into account as you assess some of your decisions from the past 78 days and beyond.

DEJOY:

I--I very much do, ma'am. And the--the--the changes I am making are for the betterment of the Postal Service and the American people long-term. We lose \$10 billion a year and there's no end in sight. We have \$145 billion in liabilities and 10--\$14 billion in cash. So, we can set--you can blame me for this, but these conditions have been allowed long before my time and they need to be addressed.

MALONEY:

Congressman Green, you are now recognized.

GREEN:

Thank you, Chairwoman and Ranking Member. Today, Democrats are pushing the conspiracy theory that President Trump has with the Postal Service in great jeopardy. This is just more hysteria in a long line of Democrat hoaxes, including the Russia probe, the Mueller investigation. Remember Adam Schiff? He saw with his own eyes proof of Russian collusion. I guess he must have kept that from Mueller.

Oh, who can forget the impeachment sham, by the way, attacking the president's loans, his business associates, of course his tax returns? They've nothing to offer the American people but attacks on the man they despise, Donald Trump. The postal union should realize, and I know they've endorsed Joe Biden, but--but they should look at this. The Democrats are throwing the postal carriers under the bus just to get at Trump. It's despicable.

If the postmaster general's donations are conflict to his doing good job, wouldn't the postal union's millions in donations over the years the Democrats disqualify them from delivering the mail? Message

to all postal workers, the Democrats are insulting your integrity. Weaponizing the House Oversight Committee, fuels Speaker Pelosi's postal conspiracy theory, is an outrageous abuse of power.

Don't be fooled by the partisan rhetoric. The reality is the USPS has the money they need in the near term, certainly through the election. The Postal Service has the most cash on hand it's had in years, and it has access to a \$10 billion CARES Act loan that it has not even tapped into yet. But, oh, we had to come back this weekend to vote on more money for the USPS.

The Postal Service will prioritize ballots over other mail. They will process election mail as first-class mail regardless of the posted used. And Postmaster General DeJoy has assure the American people, and I quote, "The United States Postal Service is fully capable and committed to delivering the nation's election mail securely and on time."

The Democrat attacks on the Postal Service are baseless. Now, the Postal Service has been losing some money, a--\$8.8 billion last year. A big reason for these budget deficits is the evolution of technology, the Internet. First-class mail is down. This issue significantly predates the Trump administration. But now, due to the pandemic, online business is booming, package volume through the roof. Package revenue this year increased \$2.9 billion compared--

GREEN:

--to FY 2019, in other words the post service has made more revenue in the pandemic than it did in the last period or the same period last year, USPS is in no immediate fiscal danger.

On June 30, the board said that they have and I quote significant liquidity to continue operating through at least August 21--2021". Postmaster General DeJoy has said I don't need anything to deliver mail on election night but we do need legislative reform. We need freedom from a change in the postal regulatory commission regulation and we do need to be reimbursed for our cost".

The fact is that the Postal Service well prepared for the election, yes. Postmaster General DeJoy has had a long career in logistics, unanimously selected for the post by the board of governors which has two Democrats by the way, he has implemented commonsense cost-cutting measures to address the problems. Saturday's bill which passed tries to halt those three forms and operational changes while in the short term the Postal Service will be fine reforms must eventually be instituted to ensure solvency.

As far as these protesters outside the home of the postmaster general these protesters who are banging pots and pans intimidating and bullying the postmaster is terrible. It's unconscionable but completely in line with the book burning, police eye lasing, criminal whose are destroying lives, destroying property in Democrat-controlled cities but hey, that's who they are now. Let's not call the Congress back to fix the lost unemployment in a pandemic but let's call the Congress back to vote to give the post office more money they don't emergently need before we even hold the investigative committee hearing all to support a conspiracy theory that a bipartisan we selected Postmaster General is trying to steal an election.

This is theatrics. It's a joke. What a way to end the Democrat majorities time leaving the house. Another conspiracy theory and attack on the president. Typical actually it is saddening. Our postal workers are quite capable and they are ready for the 2020 election. Madam Chairwoman, with that I yield.

MALONEY:

Congresswoman Lawrence you are now recognized. Congresswoman Lawrence?

LAWRENCE:

Thank you Madam Chair. Postmaster General, shortly after you took the office I reached out to schedule an introductory call with no agenda in particular just to share my experiences as a career postal employee (INAUDIBLE) kind of welcome you to the seat but my request was turned down.

I was told you needed your time to get acquainted with the agency and that you did not have time to have that meeting. But I have seen since you have been in office the time to get antiquated to make these really, really impactful decisions on delivering processing of the mail you are comfortable with doing so.

I want to ask you Mr. DeJoy are you familiar with chapter 1 of 39 U.S. states code?

DEJOY:

No, I am not.

LAWRENCE:

Okay. The United States-- the code reads the United States Postal Service shall be operated as a basic and fundamental service provided by the people to the people by the government of the United States authorized by the Constitution created by act of Congress and supported by the people.

Mr. DeJoy did you take an oath of office when you became the postmaster general?

DEJOY:

I did, ma'am.

LAWRENCE:

I remember when I took my oath of office when I was sworn in to be an employee of the Postal Service and to just tell you my journey because I am sure you are familiar with some of the names I started as a distribution clerk working tour one, then I moved to be a letter carrier then to be an acting supervisor then a supervisor of delivery and collection. I served in HR, I served in safety and health, I served as an EEO investigator.

I have the entire State of Michigan in the district, role(PH) of the women's program and for career counseling and development. And I ended my career after several task force that I got put on to monitor and to track the mail before we made decisions like taking out equipment, density counts I supervisory of delivery. I know know what it took to remove a post office box call it collection box not a blue box is a collection box.

So I wanted to talk to you about have you ever served as a letter carrier?

DEJOY:

First off ma'am I would like to congratulate you on your career path and no, I have never served as a letter carrier.

LAWRENCE:

So I did serve so the Postal Service is introducing a new initiative called Expedited to Street/Afternoon Sortation and it reduces the morning office time to allow carriers to leave for the street earlier and then upon returning from the streets the carriers are then to sort - might to sort any

undelivered mail for the next day. Are you aware what that initiative that you have rolled out the impact it has on delivery carrying?

DEJOY:

The intent that that was a program that was on the shelf, the intent of that program is to adjust for there has been a significant decline in mail as you know and to (INAUDIBLE) adjusted that was worked out with union leadership to run a pilot. The pilot I stopped the pilot when I stopped everything else so the intent of it is to get the carriers out earlier so they can come back earlier and that is basically in the day.

LAWRENCE:

Well, Mr. DeJoy and I have really stress that you do some deliberate work--excuse me - make do some deliberate work to understand the impact that it has because if a carrier does not come back because this is the challenge that we have all of the time a carrier if he has only piece of one advertisement must stop at every home so regardless of the volume if you are making the same amount of stops you are not going to shorten the time and so when you do that the carrier is going to be out basically the same amount of time and so when they come back you are delaying the mail.

We have--I have complaints in my office from people getting delivery one day a week now sir. That is not according to your oath, that is not according to what the chapter 1 of 39 says your role is.

I want to in my short period of time Madam Chair I was interrupted I would just like to end this with some of my colleagues have said this is a theater, why are you here. Well, you are here because the citizens of the United States rely on the Postal Service to deliver our seniors, our veterans.

One thing is clear, you have been a major supporter of the President as documented. I don't reason you for that. You have that right but when you are getting messages daily and tweets that the Postal Service says we don't make a deal they don't get the money the money means that you won't have universal mailing I want you to know that you have an oath to office and I expect--

MALONEY:

The gentlewoman's time has expired.

LAWRENCE:

And I expect the(PH) American people expect you to uphold it. Thank you Madam Chair.

DEJOY:

And ma'am I will live up to that oath and if I could expand on your question with regard to the expedited process that would not result in one day a week mail across--in any area. We do have some employee availability issues and some of the hotspots across the nation where we have as you would know we could have 700 routes and only 500 carriers and it's forcing--

LAWRENCE:

For crying out loud why would you implement that (INAUDIBLE) this time?

DEJOY:

I haven't implemented anything to affect that. I did not implement anything to affect that. That would not--the expect--

LAWRENCE:

But you are adding fuel to the fire and that is the (INAUDIBLE)--

DEJOY:

I'm trying to--I am committed to six-day delivery. I am committed to growing the Postal Service. I have ideas for new business opportunities for the Postal Service and I'm trying to--in the code it also says we must be self-sustaining and we are not and that is what I am trying to do. Thank you though and then again--

MALONEY:

In--in the interest of--

LAWRENCE:

Your actions will show--

MALONEY:

--interest of time we have been--the gentleman has been testifying for quite a long time and we are now going to have a recess for five minutes, a recess for five minutes.

(RECESS)

MALONEY:

We will now reconvene. Congresswoman Plaskett, you are now recognized.

PLASKETT:

Thank you very much, Madam Chairwoman. Thank the witness for being here. Mr. DeJoy, first before I have that discussion with you, my line of questioning, hearing my colleague just a little earlier talking about abuse of power was just such an outrageous statement. And what he said was an abuse of power.

I think we in Congress are here to ensure that there is no abuse of power in any of the branches of government. And when he talks about the collusion, we see that when the Senate Republicans finally get off of their butts and do their job, eventually there is corroboration to some of the work that happens here in the House. At least the House is going to do its job. And there are issues that need to be addressed here today, and that's what we're going to do.

So Postmaster DeJoy, your General Counsel Thomas Marshall said we are currently unable to balance our cost with available funding sources to fulfill both our universal service mission and other legal obligations. That letter went on to outline a number of drastic operational changes that are being attempted to implement in the name of cost cutting. You have spoken here today about the measures that need to take place.

And in one instance, you're saying how you want to get those done and then I also hear you saying as if it was not you or you're not responsible for the changes that have been made. In your August 13th email too all postal employees, you took credit for the changes that have been made. Here's what you said. You took credit and you said also, unfortunately, "This transformative initiative has had unintended consequences that impacted our overall service levels." That was your email. Is that correct, Mr. DeJoy?



DEJOY:

It sounds like it was.

PLASKETT:

Okay. And as a transformative initiative, it's fair to say that these changes were intended to having meaningful impact. Is that correct?

DEJOY:

Yes, man.

PLASKETT:

And these changes are happening across several States and across the country.

DEJOY:

I don't know what you're reading from

PLASKETT:

The transformative changes that you all have intended as cost cutting measures.

DEJOY:

To--to--no, that was not cost cutting measures. Right? The two changes I made was the organization and complying with the schedule.

PLASKETT:

And those transformative and changes initiatives--

DEJOY:

--(INAUDIBLE) some other changes--

PLASKETT:

--Had happened across states, several states?

DEJOY:

Every state a truck moves in, yes.

PLASKETT:

Okay, so that would be several states. Yes. Thank you. I have a slide that I'd like to show about first class mail. If you can see from the slide, this is at you as Postal Service slide. It discusses the presort first class mail. It appears that there's been a decline since July. This slide reflects nationwide numbers. Would you agree with that, Mr. DeJoy?

DEJOY:

Yes, it does.

PLASKETT:

And clearly, an 8 percent drop in one time at mail is a meaningful impact. And the headlines from across the country that the committee has collected show how widespread these delays are. Would you agree that there are delays presently?

DEJOY:

There are delays, yes.

PLASKETT:

Thank you. I know in my own district, which relies heavily on that mail because we cannot drive to different big boxes or other locations, being an island, Lena--Leona Di Blake, her Cigna prescriptions usually take three to five days have taken two weeks. Shannon Dasig who runs a small retail store on Saint John usually 10 days max for priority, which is kind of long for priority, but we are an island it now takes weeks. Ivan Jacobs, priority mail typically takes four days. It's now taking 12 days. Sharolyn Stapleton, summer college program items had disappeared. It goes on and on and on.

Now, in 39 USC section 3661-B provides "When the Postal Service determines that there should be a change in the nature of Postal services which generally affect service on a nationwide or substantially

nationwide basis, it shall submit a proposal within a reasonable time prior to the effective date of such proposal to the Postal Regulatory Commission (PRC) requesting an advisory opinion on the change."

Now you have agreed with me in previous questions that this has been a change that has substantial nationwide basis. It generally affects Postal services and that it is a change in nature of Postal Service, which generally affect service on a nationwide substantial basis. Have you, Sir, submitted our request for an advisory opinion to the Postal Regulatory Commission?

DEJOY:

A request for an advisory opinion on asking the organization to adhere to the transportation schedules is not required--

PLASKETT:

--I didn't ask you about the transportation schedules--

DEJOY:

--That's the only change--

PLASKETT:

--I asked you--

DEJOY:

--That's the only change that--

PLASKETT:

--If I may have--finish my statement, sir, I'll let you finish yours that when a Postal Service determines there should be a change in the nature of Postal services, which generally affects service on a nationwide or substantially nationwide basis, the changes that have occurred or have had a meaningful impact on service, one, under Buchanan versus U.S. Postal service, three factors four illegal requirements are a meaningful impact on service, a change that must be in the nature of postal services, and a change which would "Affect a broad geographic area." Is that not the case?

MALONEY:

The gentle lady's time has expired. The gentleman may answer.

DEJOY:

Thank you. The--the--the change that was made was not expected to have the impact it had from the duration of the period that it had. But it also did not contribute to 10 and 12 and 2 week delays. Mail that was processed that didn't make it on a truck would have gone on the next truck. If you looked at that chart, you would see that as soon as we went into day plus one, we were back up into the 90--90 percentile. There are other factors that are contributing to excessive delays through--throughout the--throughout the country for these longer delays.

PLASKETT:

Yes, COVID

DEJOY:

Yes, ma'am.

PLASKETT:

And the fact that you would Institute these impacts--

MALONEY:

--The gentle lady's time has expired--

PLASKETT:

--After that happening to this country really--

MALONEY:

--The gentle lady's time has expired--

PLASKETT:

--Questions your logistical expertise.

DEJOY:

We--we--the--we are working very, very hard across the whole country to get all the mail on the trucks and we are seeing rapid recovery and we will--once this is put back in balance, we will have a better system and a much more cost effective system.

MALONEY:

Okay, the congresswoman's time is expired. Congressmember Gomez, you are now recognized. Vice chair of the committee, Congressman Gomez.

GOMEZ:

Thank you so much, Madam Chair. I want to focus on the change that you take credit for, which is making sure that the trucks have gone out on time. So I'm going to read a series of questions. Most of them at the beginning are yes know. You instituted a change to sharply reduce extra Mail delivery trips by "Requiring trucks to run on time and on schedule," correct?

DEJOY:

Yes, sir.

GOMEZ:

And referring to this new delivery schedule, you told the Senate, "Our production processing within the plants was not fully aligned with the established schedule, though we had some delays in mail." Correct?

DEJOY:

Yes, sir.

GOMEZ:

Mr. DeJoy, when precisely did you implement the change of requiring the trucks to leave on time, the date?

DEJOY:

GOMEZ:

The second week of July. Thank you, Sir. So you told the Senate that the U.S. Postal Service did an analysis showing these changes theoretically would mean "All late deliveries would have been improved." Then you told senator Rosen it didn't happen "For a variety of reasons."

Then you continued "The analysis we did which showed that we would improve service to every constituent." Can you briefly describe the variety of reasons that that did not happen?

DEJOY:

You confused me. I--

GOMEZ:

--Basically, the fact that you said that this would actually improve the delivery of mail on time, you said that that would happen. And then later on, you said for a variety of reasons that did not happen. What are those variety of reasons?

DEJOY:

Yeah. So the--the--this will improve service and reduce cost substantially. And it will also be the fundamental baseline of--of operation for, you know, for the Postal Service--

GOMEZ:

--Mr. DeJoy, I'm going to--reclaiming my time I'm asking you specifically because you said this in the beginning of your testimony--

DEJOY:

--Specific--specifically--

GOMEZ:

--For a variety of reasons--

DEJOY:

--One of the--so a variety of reasons has to do why mail delivery is down across the across the nation. With regard to this specific change the production schedules within the plants were not aligned with the transportation schedules going out--going between the plants.

That--that was a--there's about 10 percent of the mail was not aligned. The production plants were getting done late and the trucks were--the trucks were leaving. This was not a mandate that every truck leaves on time.

We still have a significant amount of trucks that run delayed and a significant amount of extra trips. Judgments were made at each individual plant that--they did not--that provided for transitional issues in doing it. We will get this back. We're working it very hard and it will be a successful endeavor for the United States Postal Service.

GOMEZ:

Well, that's what we're hoping. Mr. DeJoy, you couldn't make this commitment to the--

GOMEZ:

--Senate on Friday, so I'm going to ask you again. Do you commit providing the analysis that you used regarding this(PH) truck schedules that would show that the--there will be lower late deliveries? Would you provide that to us by Friday?

DEJOY:

I will go back and see what I can get for that.

GOMEZ:

I--I have it for you right here. This is what you said. I can--I can read a quote from you.

DEJOY:

Okay. Well, I'll go back and look too. And if it said that--

GOMEZ:

--Is that--

DEJOY:

--I--I'll--and if I have something, I'll send it to you.

GOMEZ:

I kind of highly doubt that you're going to do that. But you also--

DEJOY:

--Why would you doubt--why would you do that?

GOMEZ:

Because you're not very forthcoming. You also told the Senate our recovery process in--in this--

DEJOY:

--I'm here, sir--

GOMEZ:

--Should have been a few days and it mounted to be--amounted to be a few weeks. Why have days turned into weeks?

DEJOY:

I'm trying to figure that out.

GOMEZ:

So, what I find interesting is that you're supposed to be some logistics expert, right? That's what--that's what--you've been brought in, that's what people have said, that--and then all of a sudden you said, okay, we're going to get these trucks to leave on time. But you didn't focus on getting the mail to people on time, and that you said that that would actually improve, right?



DEJOY:

Um-hmm.

GOMEZ:

You would reduce late deliveries, but the opposite happened. And then you would say that it would take only a matter of days to fix, but that didn't happen, right?

DEJOY:

Um-hmm.

GOMEZ:

I--I know people that work in operations. My wife works in operations, very good at it, and they're looking at data all the time, all the time and to seeing what little operational changes can be done--

DEJOY:

--Um-hmm--

GOMEZ:

--To change the flow of--of whatever you're trying to accomplish, right? So, that's what--people are questioning your ability, right? I actually talked to a lot of postal workers in Los Angeles.

I represent Los Angeles. I was out there and they said that the delay in the packages, these changes is causing mail to back up where you have baby chickens that are being left in boxes that are going silent, that are starting to rot, food that's starting to rot, flies that are starting to infest the facilities. And they run up the same fact, that they take a--an oath, an oath to get the mail out on time. They're asking did you--are you living up to that oath, right?

I was actually avoiding following other colleagues who called on you to resign, but I do think now it's time for you to resign, not because you're necessarily--there is this grand political conspiracy, but just the incompetence that we've seen when it comes to the Postal Service. It's time for you either to step down and have somebody that can--can run it, or the board of governors should fire you. I yield back.

MALONEY:

The gentleman yields back. Congresswoman Ocasio-Cortez, you are now recognized.

OCASIO-CORTEZ:

Thank you very much, Madam Chairwoman. And thank you too, Postmaster DeJoy, for coming in and offering your testimony today.

Mr. DeJoy, when--when your announcement in--in your new position as postmaster general was announced, you know, there was some folks that were flagging concerns that you would be the first postmaster general in two decades without previous experience or service directly in the USPS. But to be fair and as you mentioned, you do have extensive career experience in supply chain logistics, correct?

DEJOY:

I do.

OCASIO-CORTEZ:

And in fact, you served as CEO of your own supply chain company, New Breed Logistics, for 30 years, correct?

DEJOY:

I did.

OCASIO-CORTEZ:

And that was up until about 2014 when you merged New Breed Logistics with another company, XPO Logistics, where you also served as CEO for a year and then served on its board of directors until about 2018 when you submitted your resignation, correct?

DEJOY:

Yeah.

OCASIO-CORTEZ:

Now, I would like--Madam Chairwoman, I would like to submit to the committee three documents for the record, the postmaster's new entrance report detailing his financial disclosures, publicly available data detailing the USPS top suppliers for the last three years, and the recent XPO SEC filings. Now, Mr. DeJoy, you've received--

MALONEY:

--(OFF-MIC) objection.

OCASIO-CORTEZ:

Thank you. Now, Mr. DeJoy, you've received about 1.86--\$1.86 million in rental payments from your former company, XPO, correct?

DEJOY:

Approximately, yes.

OCASIO-CORTEZ:

Have you taken any meetings with XPO Logistics since becoming postmaster general?

DEJOY:

I have not.

OCASIO-CORTEZ:

Have you emailed, texted, called, videoconferenced, or communicated with your former company, XPO Logistics?

DEJOY:

I have many friends at the company, and I've spoken to them casually over the--several months. Yes, I probably would have spoken to them.

OCASIO-CORTEZ:

DEJOY:

Um-hmm.

OCASIO-CORTEZ:

That's a very big job. I don't mean to tell you that. And it has a lot of responsibility. You mentioned meeting with President Trump, Secretary Mnuchin. I can't(PH) even imagine how busy that must be.

Now, do you keep a daily calendar?

DEJOY:

I do, yeah.

OCASIO-CORTEZ:

Have you or your staff made in the deletions to your calendar since becoming postmaster general on June 16th?

DEJOY:

I don't--I don't think so.

OCASIO-CORTEZ:

You don't think so?

DEJOY:

Um-hmm.

OCASIO-CORTEZ:

Have--do ethics officers at USPS have access to your calendar to screen conflicts of interest?

DEJOY:

We have an ethics officer that looks at meetings that I have, yes.

OCASIO-CORTEZ:

And they have full access to your calendar?

DEJOY:

They will work--yes.

OCASIO-CORTEZ:

Can we get a commitment from you to submit your calendar dating back to June 16th to this committee?

DEJOY:

I don't know. I'll check with counsel.

OCASIO-CORTEZ:

Well, you know--

DEJOY:

--I don't want to set a precedent for my calendar to be submitted every two months.

OCASIO-CORTEZ:

Well, according to--to regulations that we currently have, electronic calendars that are submitted and maintained on USPS computers are agency records. And so, can we get your commitment to hand that calendar over to this committee--

DEJOY:

--If--if that is in fact--

OCASIO-CORTEZ:

--As a matter of course for investigation--

DEJOY:

--I'm new to this. If that is in fact a process that our counsel says I must comply with, then I will do that, yes.

OCASIO-CORTEZ:

Thank you. Madam--Madam Chairwoman, I would say, you know, the details of this calendar are extraordinarily important to the committee's investigations. And if we cannot receive them voluntarily, I would recommend consideration of a subpoena for these details.

Now, lastly and selfishly, I represent New York's 14th Congressional District. We have written the agency several times regarding accessibility for a ramp in our historic Jackson Heights Post Office. And I would greatly appreciate return correspondence to make sure that we can ensure that are disabled and elderly constituents can get access to the post office. Thank you very much. I yield my time.

DEJOY:

Thank you.

MALONEY:

The gentlelady yields (OFF-MIC).

UNKNOWN:

Whenever.

MALONEY:

You're now recognized, Congresswoman.

PRESSLEY:

Thank you, Chairwoman Maloney. While some of our colleagues might have used this hearing to continue to gaslight and mislead our constituents, I am here to get to the truth. The American people deserve that.

To direct the systemic slow down of mail delivery during a pandemic within months of a national elections is incomprehensible. At best, these actions represent irresponsible leadership from a novice who has absolutely no business leaving a government agency. At worst, they are cruel, unethical, and antidemocratic. And this is certainly no way to repay the 600,000 dedicated and brave employees who risk their lives every day to deliver essential mail.

The Postal Service is one of the largest employers of veterans and has one of the most diverse workforces in our country. 40 percent of postal workers are people of color. And for generations, working for the USPS was one of the only living wage jobs accessible to black and brown Americans. No doubt many of these families have a personal story of how the USPS job made it possible for them to buy their first home or to send their child to college.

Now, it is well documented that many of the same families have been disproportionately impacted by the COVID-19 pandemic and will bear the brunt of any effort to dismantle the USPS. So, Mr. DeJoy, in the interest of time, yes or no. At your direction, the Postal Service is currently under a management hiring freeze, yes or no?

DEJOY:

At management level, yes.

PRESSLEY:

For the record, Mr. DeJoy, does the hiring freeze apply to any other category of workers?

DEJOY:

No, ma'am.

PRESSLEY:

And you are also seeking to push early retirement, correct?

DEJOY:

We submitted I-chart (SP) polls--

PRESSLEY:

DEJOY:

Yes. Yes.

PRESSLEY:

Mr. DeJoy, 40,000 postal workers have had to quarantine. Over 6,000 have tested positive and over 60 have died from COVID-19. Do you know if these numbers are the most accurate and up-to-date?

DEJOY:

Eighty-three have died.

PRESSLEY:

And so, to be clear, does this mean that you are collecting in real time formal data on COVID-19 and its impact on your workforce?

DEJOY:

We have a task force that has complete visibility of every--everything from PPE to cases--cases in the geographical area, cases within the Postal Service. I think you--

PRESSLEY:

--So, you do have a mechanism whereby you are in real time formally collecting data--

DEJOY:

--Um-hmm--

PRESSLEY:

--As to the impact of COVID-19 on your workforce?

DEJOY:

Yes, we do.



PRESSLEY:

Okay. In the greater Boston regional home(PH), more than 220 postal workers have contracted COVID-19. A letter carrier in Chelsea, a city in my district, was hospitalized and was told by his doctors that his respiratory system would never be the same.

Mr. DeJoy, will you commit to providing this committee with the data that you say you're already formally collecting, disaggregated by congressional district, on COVID-19 related deaths, positive tests, and quarantines of postal workers by Friday, since this is quite literally a matter of life and death?

Can you commit to that, to providing this committee with data disaggregated by congressional district on COVID-19 related deaths, positive tests, and quarantines of postal workers by Friday?

DEJOY:

I will look into our ability to provide that to--to the Congress. And if it's available, we'll certainly do it. I don't--

PRESSLEY:

It would certainly be in keeping with the oath that you took and what you have offered here so I--I look forward to receiving that by Friday.

Now a few days ago before the Senate you said the delays in delivery are attributable to quote unquote employee of availability in many, many parts of the country so isn't it true that pursuing a hiring freeze in early retirement when your workforce is already stretched thin by coronavirus would exacerbate delays in the mail? Yes or no?

DEJOY:

Pursuing a hiring freeze has--did not have anything to do with the (INAUDIBLE)--

PRESSLEY:

Yes or no--your work forces already--

DEJOY:

PRESSLEY:

Mr. Duncan, were you aware when you selected--where is Mr. Duncan?

DEJOY:

He's not here.

PRESSLEY:

Okay. Here you go. Okay. Mr. Duncan?

DUNCAN:

Yes, congresswoman.

PRESSLEY:

I was just looking to direct myself, okay. Were you aware when you selected Mr. DeJoy that his company New Breed Logistics was determined by the National Labor Relations Board to have acted with antiunion animus, yes or no?

DUNCAN:

No.

PRESSLEY:

Were you aware that the equal opportunity commission one a \$1.5 million lawsuit against new breed for sexual harassment and retaliation, yes or no?

DUNCAN:

No.

PRESSLEY:

Were you aware that for women working for new breed suffered miscarriages because the company refused to accommodate their request for light duty? Yes or no?

DUNCAN:

No.

PRESSLEY:

Did you make any attempt to investigate these labor and employment practices before making him the head of one of the largest and most diverse federal workforce is if not why not?

DUNCAN:

Yes, we have various background checks. Russell Reynolds hired a DC firm to do an additional background check on him. We worked with--

PRESSLEY:

Well, I question--I question the integrity of that background check if you don't have the answer to these questions and Mr. DeJoy the hard-working people of the United States--

COMER:

Time has expired. Madam Chair?

PRESSLEY:

--Postal Service deserve a better leader in my opinion--

COMER:

Madam Chair?

PRESSLEY:

--the only thing you should be delivering is your resignation.

MALONEY:

ARMSTRONG:

Thank you madame chair. I am the last one on our side that gets to go so I am going to ask probably the most important question of the day. We passed \$25 billion from the U.S. House of Representatives yesterday and if you don't get that money that we passed on Saturday will the post office be fully operational on November 3?

DEJOY:

Yes, we will be fully operational.

ARMSTRONG:

Thank you. I sat right there in that chair on April 2019 the last time that we had a hearing on the post office and postal reforms and we list and for a day as we heard about the systemic problems, all of the consequences, the years long of losing money and all of the strategic disadvantages that exist in the post office and something happened.

The witness in that--the witness in your seat at that time managed to do something which is unique in this committee and she drew equal opportunity criticism from both sides of the aisle. Now just to be clear you weren't the Postmaster General in April 2019.

DEJOY:

No, I was not.

ARMSTRONG:

I was on a telephone (INAUDIBLE)--briefing in April 2020 when we heard about the impacts of COVID from overtime to your postal workers contracting the disease and where the Democrats of this committee absolutely said that we needed \$25 billion or the whole postal office wouldn't exist and I do want to say I'm sorry for the 83 people who have died and all of the people in your organization that have been sick. I didn't agree with it then and I don't agree with it now but to be clear and you weren't the postmaster general in April 2019 were you?

DEJOY:

No, sir, I wasn't.

ARMSTRONG:

I would ask unanimous consent to submit the memorandum from April 2019 or 2000 (INAUDIBLE)--

MALONEY:

Without objection.

ARMSTRONG:

So then way go to ask what this is about and what it's about is driving fear, placing blame and probably most significantly raising money but it's not about raising money for the post office it's about raising money for elections and I have here (INAUDIBLE), DMC, members of Congress, members of Senate all running ads on the post office. Do you know what, about saving the post office. None of these ran in 2019, none of these ran in April 2020. So we are asking for the same thing we ask for in April 2020 and we have waited until August to run these things.

In fact, your organization had to issue a cease-and-desist to MoveOn.org did they not?

DEJOY:

I am not aware. I think I heard something about that.

ARMSTRONG:

I am going to ask unanimous consent to issue the post office record on a cease and desist and MoveOn.org.

MALONEY:

Without objection.

ARMSTRONG:

I love your organization. I love your carriers. I love your rural carriers. I was the only Republican on this committee to cosponsor the pre-funding bill on the pension. Best thing I have heard you say all day as you are committed to six-day mail because maybe one of the reasons we are not as disproportionately impacted in North Dakota is because we have been going through this for a long time.

So that is the best thing I have heard all day long but I do have a couple of questions and you have talked about making sure the elections and doing all of that but some of this is based on--I mean you are talking about boats as they come in throughout the system, right? So North Dakota 23 percent of their votes is typically absentee ballot, Ohio pretty important states 21 percent of their balances typically absentee, Wisconsin 28 percent. Now I don't think it's beyond the realm of possibility that those numbers get to 60 percent this election cycle. Would you agree with that?

DEJOY:

They are going to be a great deal higher.

ARMSTRONG:

But you cannot deliver a ballot unless it is requested? If a voter doesn't requested the post office can't send it?

DEJOY:

That is true but in cases where they--I--I don't know the particular state rules but (INAUDIBLE)--

ARMSTRONG:

And that is what I am getting too so if the ballots tracked throughout the course of this in a normal array that works but Wisconsin doesn't require you to request a ballot until October 29 and they are required to do back on 11 three--on 11 three. The difference between 28 percent and 60 percent is about 2.9 billion ballots, Ohio the difference between 21 percent and 60 percent is about 2.1 million ballots and they don't require you to request one until October 31, and it is due back on the second.

North Dakota, might state who got one of these letters doesn't require you to postmark your ballot until 11 to for the election and the difference between 23 percent and 60 percent would be 126,327

ballots. So my question for you is how are we going to deal--I mean how do you possibly deal with different capacity issues as it exists they are?

DEJOY:

Sir, the--the capacity to handle is not really going to be the issue. The issue is going to be as with the dates that you identify as we get closer we could have we have had situations where when the ballots come in on the same day the turnaround time is so slow that we need to really scour and look amongst all of the other 450 million pieces of mail to find--find balance and make sure they--they get delivered and postmarked and the problem comes in once we do that we get it over to the state election board sanded is what they decide to do with the timing and everything with the ballot that is whether the ballot gets counted or not.

ARMSTRONG:

And then I just have one last question that actually doesn't relate to elections or anything but you have seen an increase in packages volume at the United Postal Service since the pandemic began and we have seen the decrease in first-class mail over the course of time. Our law firm went from \$30,000 a year 20 but is there--are you looking into because you are making more of a profit on packages that you may be prioritizing packages versus first-class mail?

DEJOY:

There is no--there is a lot of judgment used in each location and one of the things I'm trying to get my--my hands around but the general intent is what comes in comes out according to its class, right? So if it's a first-class package it would move ahead. So there's no specific direction to--to--you know to do anything and I appreciate your support on the six day a week delivery. I think there are many, many ideas we are working internally right now to help really connect with the American people and the new economy and grow - may grow some revenue and achieve sustainability. So thank you.

ARMSTRONG:

Thank you.

MALONEY:

The gentleman's time has expired. Congresswoman Tlaib you are now recognized.

TLAIB:

Thank you so much, Madam Chair. Welcome to the people's House, Postmaster General DeJoy. My residents and I don't have a tremendous amount of time so I really would appreciate straightforward answers to the questions I have. As a lawyer Mr. DeJoy I believe that it is incredibly important that all of the citizens especially public servants leading major federal agencies are fully aware of and understand fully the law--

TLAIB:

(INAUDIBLE) --do you agree, yes or no?

DEJOY:

Yes.

TLAIB:

Good. Then as an educational exercise and to ensure everyone here is clear on the law, I'd like to start by paraphrasing 18 U.S. code clause 1701, which says whoever knowingly and willfully obstructs the passage of mail shall be fined under this title or imprisoned not more than six months or both. I recommend that you and your lawyers familiarize yourself with this passage in particular but as well as 18 U.S. code clauses 595 and 610.

So Mr. DeJoy, let's look at how you came to work for the impeached president. Before this role, you have never worked in the federal government as a public servant, correct?

DEJOY:

That's correct.

TLAIB:

So clearly, you were not hired for your experience or a deep understanding of the federal government. So let's see what experience you do have. Your resume, so to speak. Before becoming the postmaster general, you were, for a time, deputy national fund-raising chairman for the GOP. And since 2016,



you've donated approximately \$1.2 million to this impeached president's campaign and groups that support him.

On June 24th, 2020, you bought between \$50,000 and \$100,000 in what you referred to as "Covered calls" in the Amazon Corporation. But let's be very clear, Mr. DeJoy, no matter what financial maneuvering you performed to try to hide it, the fact is that you have a financial interest in Amazon. So Mr. DeJoy, yes or no, are you aware that Amazon uses that U.S. Postal Service for 40 percent of its shipping?

DEJOY:

I'm--I disagree with the premise that I bought stock--

TLAIB:

--Yes, well do you--do you know that it's 40 percent of its shipping?

DEJOY:

I know that it does a lot of shipping with us, yes.

TLAIB:

Okay. And I understand that your Amazon covered calls expires in about October of this year, so you'll have to make a decision regarding this financial interest and may potentially have sensitive information about Amazon's business with the U.S. Postal Service, which may influence that decision. This appears to be a classic example of conflict of interest insider trading. Yes or no, will you commit right now to dye vest any and all financial interests in Amazon to avoid illegal insider trading?

DEJOY:

Ma'am, that was a lot of time on an issue that doesn't matter. I don't own any Amazon stock.

TLAIB:

And you have financial interest. You can call it whatever you want call Mr. DeJoy.

DEJOY:

TLAIB:

--And it is a financial interest.

DEJOY:

You can continue to--

TLAIB:

--Until you do that, your financial interest in Amazon will continue to be problematic and illegal and a conflict of interest. Regarding this matter, you have a simple choice, Mr. DeJoy. You can either resign or it divest in that interest. It is very clear that you have vested interest in seeing the president remain in office and your financial interest in Amazon demonstrates a clear conflict of interest that would be gravely concerning even if you weren't in the process of dismantling the Postal Service, which you are.

And I've heard from a number of carriers, a number of people in my Postal Service that completely conflict with what you're saying to us in this committee. Over the past few weeks, I've heard from folks that have said that not only are significant delays from changes you've made, but some of my (INAUDIBLE) critical medications, again, due to delays based on your actions.

I'd like to remind you that unlike in the private sector, Mr. DeJoy, where you served your own self-interest, your job as post general--Postmaster General is not to serve your own profit schemes on the taxpayers dime. You are to serve the United States Postal Service, its workers, and the American people.

This impeached president, Mr. DeJoy, you have to realize has a track record of employing crooks who end up in a lot of trouble for their illegal activities, Mr. DeJoy. Rick Gates, Paul Manafort, Mike Flynn, Michael Cohen, Roger Stone, Steve Bannon.

With all due respect, you are not in good company right now. So do the right thing and resign. And I thank the Madam Chair for bringing this to our attention. And please, on behalf of the 13th Congressional District, all we want is for our folks to have access to a qualified postmaster general that understands the importance of medication, understands that workers need protection at the

workplace, and that we're going to actually get mail delivered on time because what we hear on the streets, Mr. DeJoy, is completely the opposite of what you're saying to us.

And you've done so much damage in just short a period of time that you've been there. And I do believe there is a conflict of interest and you need to understand there are legal consequences to that. Thank you, Madam Chair.

MALONEY:

The gentle ladies time has expired. Congresswoman Porter, you are now recognized.  
Congresswoman Porter.

PORTER:

Mr. DeJoy, thank you for being with us today. What is the cost of a first class postage stamp?

DEJOY:

\$0.55.

PORTER:

Just wanted to check. What about to mail a postcard?

DEJOY:

I don't--I don't know, man.

PORTER:

You don't know the cost to mail a postcard?

DEJOY:

I don't.

PORTER:

What if I want to mail a--you said \$0.55 for a first class stamp, but what if it's like one of those greeting cards that said square envelope, then what is the postage?

DEJOY:

I'll submit that I know very little about a postage stamp.

PORTER:

The--what is the weight limit--you are more than a shipping logistics business. What's the weight limit for priority mail?

DEJOY:

Seventy pounds.

PORTER:

And what is the starting rate for U.S. Post Office--USPS Priority Mail?

DEJOY:

Starting rate for what?

PORTER:

USPS Priority Mail.

DEJOY:

Starting weight. Fourteen ounces.

PORTER:

No, the rate. The price.

DEJOY:

I don't know. I don't know.

PORTER:

Do you know about, within a million or so, can you tell me how many people voted by mail in the last presidential election?

DEJOY:

No, I cannot.

PORTER:

To the nearest 10 million?

DEJOY:

I would be--

PORTER:

--Is that a no, Mr. DeJoy--

DEJOY:

--I would be guessing, and I don't want to guess.

PORTER:

Okay. So Mr. DeJoy, I am concerned. I'm glad you know the price of a stamp, but I'm concerned about your understanding of this agency and I'm particularly concerned about it because you started taking very decisive action when he became postmaster general. You started directing the unplugging and destroying of machines, changing of employee procedures, and blocking of collection boxes.

As a professor, I've always told my students that one of the most important rules in life is to read the instructions. Did you actually read and independently analyzed four major overhaul plans before you ordered them to take effect?

DEJOY:

Again, I will repeat that I did not order major overhaul plans. The items you've identified were not directed by me. I did, and you don't need much analysis--

PORTER:

--Reclaiming my time, Mr. DeJoy--

DEJOY:

--To run your trucks to a schedule--

PORTER:

--Reclaiming my time, Mr. DeJoy, could you tell me please tell me who did order these changes if U.S. Postmaster General did not? Because these changes have resulted again, and you have said yourself in this hearing--

DEJOY:

--The Postal Service has been around for 250 years. There are plans, there are many, many executives, almost 30,000 executives within the organization--

PORTER:

-Reclaiming my time. Mr. DeJoy--

DEJOY:

--And there are plans that existed prior to my arrival that will continue that were implemented--

PORTER:

Reclaiming my time, please. Mr. DeJoy, if you did not order these actions to be taken, please tell the committee the name of who did.

DEJOY:

I do not know.

PORTER:

Mr. DeJoy, did you analyze these plans before they went into effect? U.S. Postal master generals supervise whomever did apparently (INAUDIBLE)--

DEJOY:

--As I've stated numerous times, the plans weren't in effect and being implemented before I arrived.

PORTER:

But Mr. DeJoy, do you take responsibility for these changes?

DEJOY:

I take responsibility from the day I sat in the seat for any service deterioration it has--has occurred.

You was asking about--you're asking about operational changes that go on--

PORTER:

--Reclaiming my time--

DEJOY:

--Throughout the whole organization around the--around the country. I don't

PORTER:

Mr. DeJoy, I'm reclaiming my time, sir. Mr. DeJoy, will you commit to reversing these changes?

DEJOY:

No.

PORTER:

Mr. DeJoy, will you commit to--if the independent--I want to switch to conflicts of interest quickly.

Will you commit that if the Inspector General finds that you committed misconduct with regards to your financial interests in any other company, such as XPO Logistics or Amazon, will you commit, if the Inspector General finds that you committed misconduct, will you commit to then resigning?

DEJOY:

I don't believe they will find misconduct, but I don't see why I would commit here right now to resigning for any reason.

PORTER:

You don't think there's any reason that you should ever resign?

DEJOY:

No reason that I've heard here today.

PORTER:

Okay. Mr. DeJoy, do you today, because this has been--you've gone back and forth a bit--I want to ask one final question. Do you own any financial interest, whether options or stocks, covered calls, do you own today any financial interest in Amazon?

DEJOY:

I do not.

MALONEY:

The gen--the gentlelady's time is expired. The gentleman may answer the question in more detail if he wishes.

The chair now recognizes the vice--vice chair, Congressman Gomez, for the purpose of a unanimous--unanimous consent request.

GOMEZ:

Madam Chair, I'm asking unanimous consent to enter into the record the transcript of Mr. DeJoy's testimony in the Senate on August 21st, where he specifically says, senator, I will go and--go back and get the truck schedule--the analysis that designed a truck schedule that I directed.

MALONEY:

Without--without objection. The chair now recognizes Congressman Quigley. You are now recognized, Congressman Quigley.

QUIGLEY:



Thank you, Madam Chair. Thank you, sir, for being so patient. I too am not accustomed this long into being at the end of the questioning, but it does afford us an opportunity to try to put this in the larger picture.

You know, one sign--one side says blame it. The other side says accountability. And doing what you did in the private sector, you recognize accountability. Appreciate the fact that it would be hard to sense that you are accepting it now. You've accepted the responsibility for the delays, but we're still not clear what exactly--what changes took place and what were yours.

Under Ms. Lawrence's questioning, you said you stopped the pilot program when you stopped everything else. Let me ask you, what in your mind were you stopping besides the pilot program?

DEJOY:

I stopped the removal of collection boxes around the country. I stopped the low--the--the--the process of reducing hours at postal retail centers. And I stopped the removal of the flat and mail sortation boxes--machines.

QUIGLEY:

So, your argument for doing that is that you saw that--your argument for doing that was that it wasn't working, or--

DEJOY:

--I--no. They were proceed--it--it just--I--I met with the--with the--with the speaker and Senator Schumer. And we just collectively thought about the heightened discussion that was going on around the nation and for--

QUIGLEY:

--And respectfully, sir, why that and not be over time issues and--and not the sorting machines?

DEJOY:

I mean, they were--

QUIGLEY:

--I mean, why did you pick those and not the others, which seem to have pretty dramatic impacts? Given the fact that things didn't go well, wouldn't you want to look back, coming from the private sector, and say, gee, maybe that is impacting us negatively, was there some other reason you're thinking, well, no, I'm not going to change those?

DEJOY:

Not change the truck schedule and the--

QUIGLEY:

--The overtime, the sorting machines.

DEJOY:

Overtime--the--I have spent the \$700 million in--we have spent \$700 million--

QUIGLEY:

--You recognize that there are many, including in my district, post office locations which are cutting back on overtime. They're following somebody's order, and--and you won't mention who that is. So, back to accountability. You gotta admit you own it, right?

DEJOY:

How do you know that they're cutting back on overtime?

QUIGLEY:

Well, imagine--well, let me--let me put it another way. Are you certain that they're not cutting back on overtime?

DEJOY:

The--the direction was given to stop cut--to cut back--to stop cutting back on overtime in--in--in postal retail centers.

QUIGLEY:

DEJOY:

So, am I certain, I--I haven't done an audit yet, but I'm--I--I would believe they're pretty compliant.

QUIGLEY:

Wait. When was that order given? Was that part of the order you just talked about?

DEJOY:

I don't know what you're asking me.

QUIGLEY:

Are--are you saying when you--when you'd stopped everything else, it included the overtime issue as well?

DEJOY:

There was--there was--I've--there was no directive to reduce overtime anywhere within the organization. Overtime--

QUIGLEY:

--And are you certain that no one was cutting back on overtime?

DEJOY:

No, I'm not certain. That's part of the problem at the Postal Service, sir. That's what I'm trying to get my hands around. There is a lot of--and that's why I did the reorganization. There was a lot of judgment--

QUIGLEY:

--Respectfully, you can imagine though that--

DEJOY:

QUIGLEY:

--You're taking--

DEJOY:

--In local areas that is not a normal--

QUIGLEY:

--You're being selective on what you taking credit for or not. And a cynical person could say you're just trying to avoid going before the regulatory body, because these are the changes. But when your own-- as you say, you're a Republican.

When your own party says did you stop these changes, you said yes. And in your documents, you talk about the fact that there were changes. You--you can't--you can't have it both ways. There were changes. You seem to have a line there that you don't want to have because it means you have to go before the regulatory board, and you don't want to do that.

DEJOY:

It sounds like a weak--

QUIGLEY:

--Sounds like what happened.

DEJOY:

Sounds like a weak theory to me.

QUIGLEY:

Did anyone in the administration--have you communicated with anyone in the administration since you were considered for this spot about how to operate USPS?

DEJOY:

QUIGLEY:

No one has communicated with you who works in any way with the Trump administration, and you haven't communicated in any way with anyone who works in the Trump administration or the Trump campaign about how to operate post office?

DEJOY:

I--the only time I communicated with someone in the Trump administration was Secretary Mnuchin when we were negotiating the--the--the terms of the \$10 billion note. In my discussion in generality--that was early on in my arrival and in generalities were that I--you know, I think that we have some opportunities here. I'm looking to try and grow revenue, improve service, and get some costs out. That--

QUIGLEY:

--And what was the direction the other way?

DEJOY:

There was no direction. It's my--the Postal Service is mine to run. There was no direction. But--

QUIGLEY:

--My time is expired.

MALONEY:

Your time is expired.

Before--before we adjourn, I really want to thank you very much for your time. You've been here all day.

And--oh, wait a minute. Is--is she here? She's virtual. Okay. I--I saw earlier. There's one more member of Congress who has waved on from the great state of North Carolina. It's Alma Adams. She was here but she is now virtual. Alma Adams, you are now recognized. Alma Adams, are you--I assume she's not here with us now. Is she around or not? It doesn't appear that she's here now.

But before we adjourn, I have a few items that I'd like to wrap up with the witness. And also, I would like to grant Ranking Member Comer all the time that he may want to consume. And he will get that opportunity once I am finished. I'll move through this quickly in the interest of time.

She is here? She--is she remote? So, she is--she is getting on. My apologies to you, Mr. DeJoy.

Congresswoman Adams, you are now recognized. Congresswoman Adams, can you unmute yourself?

UNKNOWN:

(OFF-MIC)

MALONEY:

Take out what? Okay.

COMER:

Mr. DeJoy, you may want to hire the Democrat's computer guy to help deliver the mail on time.

MALONEY:

I--I apologize for--for the delay. We were trying to accommodate really (INAUDIBLE) from your home state North Carolina who wanted to question you. So Mr. DeJoy on--on Friday Senator Peters ask you if you had discussed the changes to postal operations with President Trump, Mark Meadows, anyone else at the White House and/or anyone in the campaign and you said no.

I believe that Mark Meadows has accompanied you to meetings on Capitol Hill and for the record do you stand by your statement that you have had no conversations with Mark Meadows about any changes in postal operations?

DEJOY:

I'm trying to remember the answer that--that I gave. Mark Meadows accompanied Stephen Mnuchin and myself and Senator Schumer and Speaker Pelosi we were in the room and then we started talking about machines and I mean from the standpoint of that conversation they are Mark Meadows was they are after I left we--we shut the thing and then we had a discussion about when we made the decision here at the Postal Service to stop--you know stop the processes with regard to the sorting machines and so forth. I can't remember when I spoke to him about that but I was speaking to--I

called the speaker. I called Senator Schumer. I think we reached out to your office so that particular process we spoke about the stopping that we are doing.

With regard to my change changes with regard to the organization and with regard to the truck schedule I didn't speak to anybody about that.

MALONEY:

Okay. Have you spoken to anyone else at the White House at any time about changes to postal operations?

DEJOY:

No, ma'am, I haven't.

MALONEY:

Okay. So if you didn't consult--if you didn't consult with these people or should we go to Alma Adams she is now ready to talk? Alma? Alma Adams, should we now go to Alma? Alma, you are now recognized. I apologize. Alma Adams you are recognized.

ADAMS:

Madam Chair can you hear me?

MALONEY:

Yes, we can hear you and we can see you.

ADAMS:

Well, thank you very much and I apologize there some issue on this side but thank you for convening the hearing, thank you Mr. DeJoy for being here today. I want you to know that my office sir has received almost 5000 calls and emails asking Congress to save the Postal Service. As a matter of fact the people love the Postal Service.

They rate the Postal Service over 91 percent, more than any candidate I know. Now I don't live in the country but I have represented Guilford County for about 50 years and I am representing the 12th

District of Charlotte now but the folks I represent can't afford their medication to come late, they can't afford for their ballots to come late and they can't afford for their voices to be silenced.

They need the U.S. Postal Service and let's be clear you have been charged with running a Postal Service Mr. DeJoy and not business but I have got a photo of my post office and Charlotte Mr. Joy bless your heart are you getting your mail on time sir?

DEJOY:

I--I do not know.

ADAMS:

Okay. Well I heard you say in your opening that you did not direct the removal of sorting machines and postal collection boxes and you indicated you didn't know who was or who was doing that but since you are in charge I think it would be helpful with all of the questions that have been asked for us to know that but since I am mentioning this blue box thing in my district here the boxes have been covered with trash bags. I don't understand that and I don't know if you know anything about it but do you?

DEJOY:

(INAUDIBLE)

ADAMS:

And there's a photo of it.

DEJOY:

I do not know anything about it.

ADAMS:

Well, it's in the post office that I go to and it is the main post office and if you can find out I would appreciate that.

DEJOY:



ADAMS:

I did visit the center yesterday, the (INAUDIBLE) posting distribution center on Friday and I was told that the USPS senior management said that you don't foresee having any influx of election mail going into the election of November 3. Is that--is that correct?

DEJOY:

I--I didn't hear the question.

ADAMS:

In other words you are not going to have an influx of the election mail going into November is that correct?

DEJOY:

I don't know how--I don't know how anybody would say that. I think as we move to the election we will have election mail and we will be able to handle it.

ADAMS:

Well, seven machines are missing have been removed from Charlotte and we have a demand in North Carolina of almost 400,000 people requesting their mail-in ballots, in my district 53,000 so do you know about the sorting machines that are missing in my district?

DEJOY:

I--I do not know specifically about sorting machines missing in your district.

ADAMS:

All right. You have also said that because you didn't have anything to do with that and you came on and you accepted what was here so are you do you think you can be helpful and at least putting things back? I know you said that's not something you wanted to do but considering all of the testimony today, all of the stress that citizens are going through not getting their mail, not getting their

medications things getting spoiled, insulin, those kinds of things do you think you could have a second thought about that Mr. DeJoy?

DEJOY:

First off we as I said we are all concerned about each delivery. I--my--my goal right now is to have these truck trips filled with mail and we are seeing a great deal of improvement and I'm only we will be with regard to the transportation we will be in much better shape over the next week.

ADAMS:

Okay let me--let me--let me--let me stop you right here because I don't want to know about that part. I wanted to know if you have any second thoughts I certainly hope that you would. So let me ask you about on August 18 you announced an expansion of the Postal Service Leadership Task Force, on the 21st the Board of Elections announced the bipartisan mail committee. Is this initiative different from the task force that you announced on the 18th Mr. DeJoy?

DEJOY:

No, we so to be clear we had a task force, there was a task force at the Postal Service before I arrived, after review I expanded the task force to include--include the union leadership and then the board we had a board meeting decided just to show the connectivity of the board to the management team through those 650,000 workers that we all represent the American public that we are all together guaranteeing that we would have a safe and secure election.

ADAMS:

Reclaiming my time for a moment (INAUDIBLE)--

MALONEY:

Congresswoman your time has expired. Congresswoman your time has expired.

ADAMS:

Okay.

MALONEY:

I--I will allow Mr. DeJoy to elaborate more if you would like that your time is expired.

ADAMS:

I--I just wanted to know if he would allow (INAUDIBLE) the ranking member two of point day Stafford to participate at least as an observer on this committee.

MALONEY:

Well, I'm going to let him reply in writing because our time has expired right now.

DEJOY:

(INAUDIBLE).

MALONEY:

But I think that's a good request and I am sure he will give it good consideration. Now Mr. DeJoy so if you did not consult with these people's about the operational changes we are also interested in who you did consult with before making these changes.

The unions have raised concerns that they were not adequately consulted for example so my question is will you provide this committee with a complete list of the people you did consult with about the changes, people inside the Postal Service, at other agencies and any outside parties in the government or in the private sector. Will you provide us with that complete list?

DEJOY:

Ma'am, the extent--I can tell you right now I discussed this with all of the vice presidents and the COO of the existing management team when I arrived and the VPs around the area. There is no big complex problem-solving that is necessary to try and get your trucks to run on a schedule that's designed to take the mail from the processing plant to the delivery unit so it gets on time.

So that--that was basically it. I had an OIG audit that was delivered to me that you have access to. It will--it will show you the damage that was being done to the organization by not running truck trips on time. And I asked the management team, probably 7--10 vice president to put together a plan to run

your trucks on time. About three weeks later, they came. They said we are ready to go and we went. That's the extent of the--of the analysis.

MALONEY:

So I'm going to ask you again for the people you consulted with.

DEJOY:

That was it.

MALONEY:

I ask it voluntarily but--and I'd like it in writing. But if you refuse, then we will be forced to consider obtaining it by a subpoena.

DEJOY:

Okay.

MALONEY:

Mr. Duncan, I would now like to turn to you. Mr. Duncan, are you still with us? Mr. Duncan?

DUNCAN:

Yes. Yes, congresswoman.

MALONEY:

Thank you. Thank you. On Friday, senator Rosen asked Mr. DeJoy to provide the string transcripts 4 minutes of any closed nonpublic board meetings from this year and Mr. DeJoy said he did not have the authority to do that. But you're the chairman of the board. Will you commit to providing this committee with the transcripts or minutes of any closed nonpublic board meetings from this year, including, in particular the emergency meeting you just held?

DUNCAN:

Madam Chairwoman, I commit that I will work with our council to provide everything legally possible for the committee.

MALONEY:

Well, that's great, but if you have any other lingering concerns if the council may not provide all the information, would a friendly subpoena help?

DUNCAN:

I think we can work this out. The minutes or something that we have available to us.

MALONEY:

Well, I thank both of you for testifying. It's been a long day. Thank you very much and I now recognize the distinguished ranking member for as much time as he may consume for his final thoughts and words.

COMER:

Thank you, Madam Chair. I'll be brief. I'd like to 1st begin by asking unanimous consent to submit for the record this Politico article that just came out basically saying that this committee hearing was a waste of time.

Next, postmaster general the joy, I wanted to thank you for being here today, for spending this much time. I also wanted to thank you for taking the job. You know, when we have hearings like this as we've seen, unfortunately, in this committee for the last year and a half, it's going to get harder and harder for good people like you to come from the private sector to--to put your name on the line to try to make government more efficient, which is supposed to be the role of this committee.

You know, I don't know what was more disturbing for me to watch today listening to Democrats who have never owned a business much less a logistics business try to tell you how to deliver anything quicker or listen to a couple of those Democrats struggled with what a covered call actually was. But nevertheless, today's hearing did serve to confirm our suspicions of Democrats motives for this whole hearing and the bill that they passed on Saturday. Our suspicion all along was that it was politically motivated.

As we've seen with the picture that I showed of Representative DeFazio, obviously a photo op to try to get more tweets and likes and to fire up their base who's not fired up about their presidential candidate, apparently. It's also an opportunity to raise money as we saw with representative Armstrong with his mountains of evidence where members of the Democrat Party are fund raising off the post office.

Our suspicion was that the majority had little more than conspiracy--conspiracy theories and baseless, frankly irresponsible charges to make against you. And we've seen that. And our suspicion was that the Democrats have no interest in doing anything to address the real issues that affect the Postal Service. We heard that today. They provided the Postal Service \$25 billion because "it's a worthwhile institution."

I agree it's worthwhile. Indeed, vital. But it is unsustainable unless we help implement reforms. Mr. DeJoy has made it clear the steps he has taken since becoming postmaster general are good faith attempts to improve his organization. I would love to say that all the time we've spent over the past several days has moved the needle and a positive way. I'm not sure I can. But hopefully the time Republicans have spent talking about the real issues will provide momentum to lead to something positive. Hopefully the time Republicans have spent shining the light on partisan Democrats Democratic attacks have helped Americans help Americans understand the real situation.

If the majority he's serious about fixing the longstanding financial and operational challenges, then we stand ready to work together. And to do that, Congress needs to have a working relationship with the Postal Service. This week has been the opposite of a partnership and I fear has done long-term damage to the nation's trust in one of its most esteemed, important, and citizen serving federal entities. And I also fear that Democrats conspiracy theories have risked Americans faith in the elections in a way the Russians and Chinese could only dream of.

There is no way the process we have followed can produce results that will help the post office be better and serve all Americans. We can do better and I hope to work with my colleagues to ensure the post office is around for decades and centuries to come. Thank you, Madam Chairman, and I yield back.

MALONEY:

Thank the gentleman. And in closing, I wanted to thank our witnesses for their testimony and I want to commend all of my colleagues for participating in this important conversation. With that and without objection, letters from organizations and support of the bipartisan legislation passed by the House on Saturday shall be part of the hearing record along with articles and letters from across the country depicting the effects of the delays on veterans, the elderly, the chronically ill, small businesses, farmers, and ordinary Americans who depend on that mail to be delivered.

Without objection, all members will have five legislative days within which to submit additional written questions for the witnesses to the chair, which will be forwarded to the witnesses for their response. And I asked our witnesses to respond as promptly as you are able. This hearing is adjourned. Thank you.

#### **List of Panel Members and Witnesses**

##### **PANEL MEMBERS:**

REP. CAROLYN B. MALONEY (D-N.Y.), CHAIRWOMAN

DEL. ELEANOR HOLMES NORTON (D-D.C.)

REP. WILLIAM LACY CLAY (D-MO.)

REP. STEPHEN F. LYNCH (D-MASS.)

REP. JIM COOPER (D-TENN.)

REP. GERALD E. CONNOLLY (D-VA.)

REP. RAJA KRISHNAMOORTHY (D-ILL.)

REP. JAMIE RASKIN (D-MD.)

REP. HARLEY ROUDA (D-CALIF.)

REP. RO KHANNA (D-CALIF.)

REP. KWEISI MFUME (D-MD.)

REP. DEBBIE WASSERMAN SCHULTZ (D-FLA.)

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REP. JACKIE SPEIER (D-CALIF.)

REP. ROBIN KELLY (D-ILL.)

REP. MARK DESAULNIER (D-CALIF.)

REP. BRENDA LAWRENCE (D-MICH.)

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REP. JIMMY GOMEZ (D-CALIF.)

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REP. KATIE PORTER (D-CALIF.)

REP. MIKE QUIGLEY (D-ILL.)

REP. ALMA ADAMS (D-N.C.)

REP. JAMES R. COMER (R-KY.), RANKING MEMBER

REP. JIM JORDAN (R-OHIO)

REP. PAUL GOSAR (R-ARIZ.)

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REP. CLAY HIGGINS (R-LA.)

REP. RALPH NORMAN (R-S.C.)

REP. CHIP ROY (R-TEXAS)

REP. CAROL MILLER (R-W.VA.)

REP. MARK E. GREEN (R-TENN.)

REP. KELLY ARMSTRONG (R-N.D.)

REP. GREG STEUBE (R-FLA.)

REP. FRED KELLER (R-PA.)

REP. MARK WALKER (R-N.C.)

WITNESSES:

UNITED STATES POSTAL SERVICE POSTMASTER GENERAL LOUIS DEJOY

UNITED STATES POSTAL SERVICE BOARD OF GOVERNORS CHAIRMAN ROBERT DUNCAN

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